

Attachment 20

**2005 Revised SIMPIL Model
January 1, 2005 to June 30, 2005**

Disposition of Balance Recorded in Account 1562 Deferred PILs

| | |
|-----------------|--|
| Distributor | Middlesex Power Distribution Corp. - Middlesex |
| OEB File Number | EB-2012-0098 |
| Filing Year | 2005 |

| | A | B | C | D | E |
|----|--|-----------|------|-----------------|----------------|
| 1 | PILs TAXES - EB-2008-381 | | | | Version 2009.1 |
| 2 | REGULATORY INFORMATION (REGINFO) | | | | |
| 3 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | Colour Code | |
| 4 | Reporting period: 2005 | | | Input Cell | |
| 5 | | | | Formula in Cell | |
| 6 | Days in reporting period: | 181 | days | | |
| 7 | Total days in the calendar year: | 365 | days | | |
| 8 | | | | | |
| 9 | BACKGROUND | | | | |
| 10 | Has the utility reviewed section 149(1) ITA to | | | | |
| 11 | confirm that it is not subject to regular corporate | | | | |
| 12 | tax (and therefore subject to PILs)? | | Y/N | Y | |
| 13 | | | | | |
| 14 | Was the utility recently acquired by Hydro One | | | | |
| 15 | and now subject to s.89 & 90 PILs? | | Y/N | N | |
| 16 | | | | | |
| 17 | Is the utility a non-profit corporation? | | Y/N | N | |
| 18 | (If it is a non-profit corporation, please contact the Rates Manager at the OEB) | | | | |
| 19 | Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? | OCT | Y/N | Y | |
| 20 | | 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 | | 100.0000% | |
| 22 | | LCT | | 100.0000% | |
| 23 | | | | | |
| 24 | Accounting Year End | | Date | 31-Dec-05 | |
| 25 | | | | | |
| 26 | MARR NO TAX CALCULATIONS | | | | Regulatory |
| 27 | SHEET #7 FINAL RUD MODEL DATA | | | | Income |
| 28 | (FROM 1999 FINANCIAL STATEMENTS) | | | | |
| 29 | USE BOARD-APPROVED AMOUNTS | | | | |
| 30 | | | | | |
| 31 | Rate Base (wires-only) | | | 10,288,429 | |
| 32 | | | | | |
| 33 | Common Equity Ratio (CER) | | | 50.00% | |
| 34 | | | | | |
| 35 | 1-CER | | | 50.00% | |
| 36 | | | | | |
| 37 | Target Return On Equity | | | 9.88% | |
| 38 | | | | | |
| 39 | Debt rate | | | 7.25% | |
| 40 | | | | | |
| 41 | Market Adjusted Revenue Requirement | | | 881,204 | |
| 42 | | | | | |
| 43 | 1999 return from RUD Sheet #7 | | | 18,430 | 9,215 |
| 44 | | | | | |
| 45 | Total Incremental revenue | | | 862,774 | |
| 46 | Input: Board-approved dollar amounts phased-in | | | | |
| 47 | Amount allowed in 2001 | | | 287,591 | 143,796 |
| 48 | Amount allowed in 2002 | | | 287,591 | 143,796 |
| 49 | Amount allowed in 2003 and 2004 (will be zero due to Bill 210 | | | 287,591 | 143,796 |
| 50 | unless authorized by the Minister and the Board) | | | | 0 |
| 51 | Amount allowed in 2005 - Third tranche of MARR re: CDM | | | | |
| 52 | Other Board-approved changes to MARR or incremental revenue | | | | |
| 53 | | | | | |
| 54 | Total Regulatory Income | | | | 440,602 |
| 55 | | | | | |
| 56 | Equity | | | 5,144,215 | |
| 57 | | | | | |
| 58 | Return at target ROE | | | 508,248 | |
| 59 | | | | | |
| 60 | Debt | | | 5,144,215 | |
| 61 | | | | | |
| 62 | Deemed interest amount in 100% of MARR | Half Year | | 186,478 | |
| 63 | | Applied | | | |
| 64 | Phase-in of interest - Year 1 (2001) | | | 64,759 | |
| 65 | ((D43+D47)/D41)*D61 | | | | |
| 66 | Phase-in of interest - Year 2 (2002) | | | 125,618 | |
| 67 | ((D43+D47+D48)/D41)*D61 | | | | |
| 68 | Phase-in of interest - Year 3 (2003) and forward | | | 125,618 | |
| 69 | ((D43+D47+D48)/D41)*D61 (due to Bill 210) | | | | |
| 70 | Phase-in of interest - 2005 | | | 186,478 | |
| 71 | | | | | |
| 72 | | | | | |

| | A | B | C | D | E | F | G | H |
|----|---|-------------|-----------------|---|-----------------|--|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 181 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 14 | II) CORPORATE INCOME TAXES | | | | | | | |
| 15 | | | | | | | | |
| 16 | Regulatory Net Income REGINFO E53 | 1 | 440,602 | | -483,796 | RAM pro-rated for half year 2005 | -43,194 | |
| 17 | | | | | | | | |
| 18 | BOOK TO TAX ADJUSTMENTS | | | | | | | |
| 19 | Additions: | | | | | | | |
| 20 | Depreciation & Amortization | 2 | 228,575 | | -3,830 | | 224,745 | |
| 21 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | 0 | |
| 22 | Tax reserves - beginning of year | 4 | | | 0 | | 0 | |
| 23 | Reserves from financial statements - end of year | 4 | | | 0 | | 0 | |
| 24 | Regulatory Adjustments - increase in income | 5 | | | 0 | | 0 | |
| 25 | Other Additions (See Tab entitled "TAXREC") | | | | | | | |
| 26 | "Material" Items from "TAXREC" worksheet | 6 | | | 0 | | 0 | |
| 27 | Other Additions (not "Material") "TAXREC" | 6 | | | 0 | | 0 | |
| 28 | "Material" Items from "TAXREC 2" worksheet | 6 | | | 179,826 | | 179,826 | |
| 29 | Other Additions (not "Material") "TAXREC 2" | 6 | | | 0 | | 0 | |
| 30 | Items on which true-up does not apply "TAXREC 3" | | | | 0 | | 0 | |
| 31 | | | | | | | | |
| 32 | Deductions: Input positive numbers | | | | | | | |
| 33 | Capital Cost Allowance and CEC | 7 | 201,461 | | 13,294 | | 214,755 | |
| 34 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | 0 | |
| 35 | Items Capitalized for Regulatory Purposes | 9 | | | 0 | | 0 | |
| 36 | Regulatory Adjustments - deduction for tax purposes in Item 5 | 10 | | | 0 | | 0 | |
| 37 | Interest Expense Deemed/ Incurred | 11 | 186,478 | | -68,124 | | 118,354 | |
| 38 | Tax reserves - end of year | 4 | | | 0 | | 0 | |
| 39 | Reserves from financial statements - beginning of year | 4 | | | 0 | | 0 | |
| 40 | Contributions to deferred income plans | 3 | | | 0 | | 0 | |
| 41 | Contributions to pension plans | 3 | | | 0 | | 0 | |
| 42 | Interest capitalized for accounting but deducted for tax | 11 | | | 0 | | 0 | |
| 43 | Other Deductions (See Tab entitled "TAXREC") | | | | | | | |
| 44 | "Material" Items from "TAXREC" worksheet | 12 | | | 0 | | 0 | |
| 45 | Other Deductions (not "Material") "TAXREC" | 12 | | | 0 | | 0 | |
| 46 | Material Items from "TAXREC 2" worksheet | 12 | | | 0 | | 0 | |
| 47 | Other Deductions (not "Material") "TAXREC 2" | 12 | | | 0 | | 0 | |
| 48 | Items on which true-up does not apply "TAXREC 3" | | 35,000 | | 552,215 | | 587,215 | |
| 49 | | | | | | | | |
| 50 | TAXABLE INCOME/ (LOSS) | | 246,238 | | (805,185) | Before loss C/F | (558,947) | |
| 51 | | | | | | | | |
| 52 | BLENDED INCOME TAX RATE | | | | | | | |
| 53 | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13 | 27.50% | | -8.8782% | | 18.62% | |
| 54 | | | | | | | | |
| 55 | REGULATORY INCOME TAX | | 67,715 | | -62,451 | Actual | 5,264 | |
| 56 | | | | | | | | |
| 57 | | | | | | | | |
| 58 | Miscellaneous Tax Credits | 14 | | | 0 | Actual | 0 | |
| 59 | | | | | | | | |
| 60 | Total Regulatory Income Tax | | 67,715 | | -62,451 | Actual | 5,264 | |
| 61 | | | | | | | | |
| 62 | | | | | | | | |
| 63 | III) CAPITAL TAXES | | | | | | | |
| 64 | | | | | | | | |
| 65 | Ontario | | | | | | | |
| 66 | Base | 15 | 10,288,429 | | -2,432,953 | | 7,855,476 | |
| 67 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 16 | 7,500,000 | | -2,916,260 | | 4,583,740 | |
| 68 | Taxable Capital | | 2,788,429 | | -5,349,213 | | 3,271,736 | |
| 69 | | | | | | | | |
| 70 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 17 | 0.3000% | | 0.0000% | | 0.3000% | |
| 71 | | | | | | | | |
| 72 | Ontario Capital Tax | | 4,148 | | 719 | Overpaid | 4,867 | |
| 73 | | | | | | | | |
| 74 | Federal Large Corporations Tax | | | | | | | |
| 75 | Base | 18 | 10,288,429 | | -10,288,429 | | | |
| 76 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 19 | 50,000,000 | | 0 | | 50,000,000 | |
| 77 | Taxable Capital | | 0 | | -10,288,429 | | 0 | |
| 78 | | | | | | | | |
| 79 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 20 | 0.1750% | | 0.0250% | | 0.2000% | |
| 80 | | | | | | | | |
| 81 | Gross Amount of LCT before surtax offset (Taxable Capital x Rate) | | 0 | | 0 | | 0 | |
| 82 | Less: Federal Surtax 1.12% x Taxable Income | 21 | 0 | | 0 | | 0 | |
| 83 | | | | | | | | |
| 84 | Net LCT | | 0 | | 0 | | 0 | |
| 85 | | | | | | | | |

| | A | B | C | D | E | F | G | H |
|-----|--|-------------|-----------------|---|----------------|--------------------|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 181 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 13 | | | | | | | | |
| 86 | III) INCLUSION IN RATES | | | | | | | |
| 87 | | | | | | | | |
| 88 | Income Tax Rate used for gross- up (exclude surtax) | | 27.50% | | | | | |
| 89 | | | | | | | | |
| 90 | Income Tax (proxy tax is grossed-up) | 22 | 93,401 | | | Actual 2005 | 5,264 | |
| 91 | LCT (proxy tax is grossed-up) | 23 | 0 | | | Actual 2005 | 0 | |
| 92 | Ontario Capital Tax (no gross-up since it is deductible) | 24 | 4,148 | | | Actual 2005 | 4,867 | |
| 93 | | | | | | | | |
| 94 | | | | | | | | |
| 95 | Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 | 25 | 97,549 | | | Actual 2005 | 10,131 | |
| 96 | RAM DECISION | | | | | | | |
| 97 | | | | | | | | |
| 98 | | | | | | | | |
| 99 | IV) FUTURE TRUE-UPS | | | | | | | |
| 100 | IV a) Calculation of the True-up Variance | | | | DR/(CR) | | | |
| 101 | In Additions: | | | | | | | |
| 102 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | | |
| 103 | Tax reserves deducted in prior year | 4 | | | 0 | | | |
| 104 | Reserves from financial statements-end of year | 4 | | | 0 | | | |
| 105 | Regulatory Adjustments | 5 | | | 0 | | | |
| 106 | Other additions "Material" Items TAXREC | 6 | | | 0 | | | |
| 107 | Other additions "Material" Items TAXREC 2 | 6 | | | 179,826 | | | |
| 108 | In Deductions - positive numbers | | | | | | | |
| 109 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | | |
| 110 | Items Capitalized for Regulatory Purposes | 9 | | | 0 | | | |
| 111 | Regulatory Adjustments | 10 | | | 0 | | | |
| 112 | Interest Adjustment for tax purposes (See Below - cell I204) | 11 | | | 0 | | | |
| 113 | Tax reserves claimed in current year | 4 | | | 0 | | | |
| 114 | Reserves from F/S beginning of year | 4 | | | 0 | | | |
| 115 | Contributions to deferred income plans | 3 | | | 0 | | | |
| 116 | Contributions to pension plans | 3 | | | 0 | | | |
| 117 | Other deductions "Material" Items TAXREC | 12 | | | 0 | | | |
| 118 | Other deductions "Material" Item TAXREC 2 | 12 | | | 0 | | | |
| 119 | | | | | | | | |
| 120 | Total TRUE-UPS before tax effect | 26 | | = | 179,826 | | | |
| 121 | | | | | | | | |
| 122 | Income Tax Rate (including surtax) from 2005 Utility's tax return | | | x | 18.62% | | | |
| 123 | | | | | | | | |
| 124 | Income Tax Effect on True-up adjustments | | | = | 33,487 | | | |
| 125 | | | | | | | | |
| 126 | Less: Miscellaneous Tax Credits | 14 | | | 0 | | | |
| 127 | | | | | | | | |
| 128 | Total Income Tax on True-ups | | | | 33,487 | | | |
| 129 | | | | | | | | |
| 130 | Income Tax Rate used for gross-up (exclude surtax) | | | | 17.50% | | | |
| 131 | | | | | | | | |
| 132 | TRUE-UP VARIANCE ADJUSTMENT | | | | 40,590 | | | |
| 133 | | | | | | | | |
| 134 | IV b) Calculation of the Deferral Account Variance caused by changes in legislation | | | | | | | |
| 135 | | | | | | | | |
| 136 | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) | | | = | 246,238 | | | |
| 137 | | | | | | | | |
| 138 | REVISED CORPORATE INCOME TAX RATE (including surtax) | | | x | 18.62% | | | |
| 139 | | | | | | | | |
| 140 | REVISED REGULATORY INCOME TAX | | | = | 45,854 | | | |
| 141 | | | | | | | | |
| 142 | Less: Revised Miscellaneous Tax Credits | | | - | 0 | | | |
| 143 | | | | | | | | |
| 144 | Total Revised Regulatory Income Tax | | | = | 45,854 | | | |
| 145 | | | | | | | | |
| 146 | Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58) | | | - | 67,715 | | | |
| 147 | | | | | | | | |
| 148 | Regulatory Income Tax Variance | | | = | (21,862) | | | |
| 149 | | | | | | | | |

| | A | B | C | D | E | F | G | H |
|-----|--|-------------|-----------------|---|-----------------|--------------------|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | 0 | | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 181 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 150 | Ontario Capital Tax | | | | | | | |
| 151 | Base | | | = | 10,288,429 | | | |
| 152 | Less: Exemption from tab Tax Rates, Table 2, cell C39 | | | - | 7,500,000 | | | |
| 153 | Revised deemed taxable capital | | | = | 2,788,429 | | | |
| 154 | | | | | | | | |
| 155 | Rate - Tab Tax Rates cell C54 | | | x | 0.3000% | | | |
| 156 | | | | | | | | |
| 157 | Revised Ontario Capital Tax | | | = | 4,148 | | | |
| 158 | Less: Ontario Capital Tax reported in the initial estimate column (Cell C70) | | | - | 4,148 | | | |
| 159 | Regulatory Ontario Capital Tax Variance | | | = | 0 | | | |
| 160 | | | | | | | | |
| 161 | Federal LCT | | | | | | | |
| 162 | Base | | | | 10,288,429 | | | |
| 163 | Less: Exemption from tab Tax Rates, Table 2, cell C40 | | | - | 50,000,000 | | | |
| 164 | Revised Federal LCT | | | = | (39,711,571) | | | |
| 165 | | | | | | | | |
| 166 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51 | | | | 0.2000% | | | |
| 167 | | | | | | | | |
| 168 | Gross Amount | | | | 0 | | | |
| 169 | Less: Federal surtax | | | - | 0 | | | |
| 170 | Revised Net LCT | | | = | 0 | | | |
| 171 | | | | | | | | |
| 172 | Less: Federal LCT reported in the initial estimate column (Cell C82) | | | - | 0 | | | |
| 173 | Regulatory Federal LCT Variance | | | = | 0 | | | |
| 174 | | | | | | | | |
| 175 | Actual Income Tax Rate used for gross-up (exclude surtax) | | | | 17.50% | | | |
| 176 | | | | | | | | |
| 177 | Income Tax (grossed-up) | | | + | (26,499) | | | |
| 178 | LCT (grossed-up) | | | + | 0 | | | |
| 179 | Ontario Capital Tax | | | + | 0 | | | |
| 180 | | | | | | | | |
| 181 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT | | | = | (26,499) | | | |
| 182 | | | | | | | | |
| 183 | TRUE-UP VARIANCE (from cell I130) | | | + | 40,590 | | | |
| 184 | | | | | | | | |
| 185 | Total Deferral Account Entry (Positive Entry = Debit) | | | = | 14,091 | | | |
| 186 | (Deferral Account Variance + True-up Variance) | | | | | | | |
| 187 | | | | | | | | |
| 188 | | | | | | | | |
| 189 | | | | | | | | |
| 190 | V) INTEREST PORTION OF TRUE-UP | | | | | | | |
| 191 | Variance Caused By Phase-in of Deemed Debt | | | | | | | |
| 192 | | | | | | | | |
| 193 | Total deemed interest (REGINFO) | | | | 186,478 | | | |
| 194 | Interest phased-in (Cell C36) | | | | 125,618 | | | |
| 195 | | | | | | | | |
| 196 | Variance due to phase-in of debt component of MARR in rates | | | | 60,859 | | | |
| 197 | according to the Board's decision | | | | | | | |
| 198 | | | | | | | | |
| 199 | Other Interest Variances (i.e. Borrowing Levels | | | | | | | |
| 200 | Above Deemed Debt per Rate Handbook) | | | | | | | |
| 201 | Interest deducted on MoF filing (Cell K36+K41) | | | | 118,354 | | | |
| 202 | Total deemed interest (REGINFO CELL D61) | | | | 186,478 | | | |
| 203 | | | | | | | | |
| 204 | Variance caused by excess debt | | | | 0 | | | |
| 205 | | | | | | | | |
| 206 | Interest Adjustment for Tax Purposes (carry forward to Cell I110) | | | | 0 | | | |
| 207 | | | | | | | | |
| 208 | Total Interest Variance | | | | 60,859 | | | |
| 209 | | | | | | | | |
| 210 | | | | | | | | |
| 211 | | | | | | | | |

| | A | B | C | D | 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 | |
| 6 | Section A: Identification: | | | | | |
| 7 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 8 | Reporting period: 2005 | | | | | |
| 9 | Taxation Year's start date: | | | | | |
| 10 | Taxation Year's end date: | | | | | |
| 11 | Number of days in taxation year: | | 181 | days | | |
| 12 | | | | | | |
| 13 | Please enter the Materiality Level : | | 0 | < - enter materiality level | | |
| 14 | (0.25% x Rate Base x CER) | Y/N | Y | | | |
| 15 | (0.25% x Net Assets) | Y/N | N | | | |
| 16 | Or other measure (please provide the basis of the amount) | Y/N | N | | | |
| 17 | Does the utility carry on non-wires related operation? | Y/N | N | | | |
| 18 | (Please complete the questionnaire in the Background questionnaire worksheet.) | | | | | |
| 19 | | | | | | |
| 20 | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K | | | | | |
| 21 | | | | | | |
| 22 | Section B: Financial statements data: | | | | | |
| 23 | <i>Input unconsolidated financial statement data submitted with Tax returns.</i> | | | | | |
| 24 | <i>The actual categories of the income statements should be used.</i> | | | | | |
| 25 | <i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i> | | | | | |
| 26 | | | | | | |
| 27 | <i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i> | | | | | |
| 28 | <i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i> | | | | | |
| 29 | | | | | | |
| 30 | Income: | | | | | |
| 31 | Energy Sales | + | 6,205,259 | | 6,205,259 | |
| 32 | Distribution Revenue | + | 1,054,718 | | 1,054,718 | |
| 33 | Other Income | + | -80,311 | | -80,311 | |
| 34 | Miscellaneous income | + | | | 0 | |
| 35 | | + | | | 0 | |
| 36 | Revenue should be entered above this line | | | | | |
| 37 | | | | | | |
| 38 | Costs and Expenses: | | | | | |
| 39 | Cost of energy purchased | - | 6,205,259 | | 6,205,259 | |
| 40 | Administration | - | 382,839 | | 382,839 | |
| 41 | Customer billing and collecting | - | 166,721 | | 166,721 | |
| 42 | Operations and maintenance | - | 243,296 | | 243,296 | |
| 43 | Amortization | - | 224,745 | | 224,745 | |
| 44 | Ontario Capital Tax | - | | | 0 | |
| 45 | Reg Assets | - | | | 0 | |
| 46 | | - | | | 0 | |
| 47 | | - | | | 0 | |
| 48 | | - | | | 0 | |
| 49 | | | | | | |
| 50 | Net Income Before Interest & Income Taxes EBIT | = | -43,194 | 0 | -43,194 | |
| 51 | Less: Interest expense for accounting purposes | - | 118,354 | | 118,354 | |
| 52 | Provision for payments in lieu of income taxes | - | 39,268 | | 39,268 | |
| 53 | Net Income (loss) | = | -200,816 | 0 | -200,816 | |
| 54 | (The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.) | | | | | |
| 55 | | | | | | |
| 56 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 57 | From T2 Schedule 1 | | | | | |
| 58 | BOOK TO TAX ADDITIONS: | | | | | |
| 59 | Provision for income tax | + | 39,268 | 0 | 39,268 | |
| 60 | Federal large corporation tax | + | | | 0 | |
| 61 | Depreciation & Amortization | + | 224,745 | 0 | 224,745 | |
| 62 | Employee benefit plans-accrued, not paid | + | | 0 | 0 | |
| 63 | Tax reserves - beginning of year | + | 0 | 0 | 0 | |
| 64 | Reserves from financial statements- end of year | + | 0 | 0 | 0 | |
| 65 | Regulatory adjustments on which true-up may apply (see A66) | + | | | 0 | |
| 66 | Items on which true-up does not apply "TAXREC 3" | | 0 | 0 | 0 | |
| 67 | Material addition items from TAXREC 2 | + | 179,826 | 0 | 179,826 | |
| 68 | Other addition items (not Material) from TAXREC 2 | + | 0 | 0 | 0 | |
| 69 | | | | | | |
| 70 | Subtotal | | 443,839 | 0 | 443,839 | |
| 71 | | | | | | |
| 72 | <i>Other Additions: (Please explain the nature of the additions)</i> | | | | | |
| 73 | Recapture of CCA | + | | | 0 | |
| 74 | Non-deductible meals and entertainment expense | + | | | 0 | |

| | A | B | C | D | 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 | |
| 75 | Capital items expensed | + | | | 0 | |
| 76 | | + | | | 0 | |
| 77 | | + | | | 0 | |
| 78 | | + | | | 0 | |
| 79 | | + | | | 0 | |
| 80 | <i>Total Other Additions</i> | = | 0 | 0 | 0 | |
| 81 | | | | | | |
| 82 | Total Additions | = | 443,839 | 0 | 443,839 | |
| 83 | | | | | | |
| 84 | Recap Material Additions: | | | | | |
| 85 | | | 0 | 0 | 0 | |
| 86 | | | 0 | 0 | 0 | |
| 87 | | | 0 | 0 | 0 | |
| 88 | | | 0 | 0 | 0 | |
| 89 | | | 0 | 0 | 0 | |
| 90 | | | 0 | 0 | 0 | |
| 91 | | | 0 | 0 | 0 | |
| 92 | <i>Total Other additions >materiality level</i> | | 0 | 0 | 0 | |
| 93 | Other additions (less than materiality level) | | 0 | 0 | 0 | |
| 94 | Total Other Additions | | 0 | 0 | 0 | |
| 95 | | | | | | |
| 96 | BOOK TO TAX DEDUCTIONS: | | | | | |
| 97 | Capital cost allowance | - | 202,235 | | 202,235 | |
| 98 | Cumulative eligible capital deduction | - | 12,520 | | 12,520 | |
| 99 | Employee benefit plans-paid amounts | - | | | 0 | |
| 100 | Items capitalized for regulatory purposes | - | | | 0 | |
| 101 | <i>Regulatory adjustments :</i> | - | | | 0 | |
| 102 | CCA | - | | | 0 | |
| 103 | <i>other deductions</i> | - | | | 0 | |
| 104 | <i>Tax reserves - end of year</i> | - | 0 | 0 | 0 | |
| 105 | <i>Reserves from financial statements- beginning of year</i> | - | 0 | 0 | 0 | |
| 106 | <i>Contributions to deferred income plans</i> | - | | | 0 | |
| 107 | <i>Contributions to pension plans</i> | - | | | 0 | |
| 108 | Items on which true-up does not apply "TAXREC 3" | | 0 | 0 | 0 | |
| 109 | Interest capitalized for accounting deducted for tax | - | | | 0 | |
| 110 | Material deduction items from TAXREC 2 | - | 0 | 0 | 0 | |
| 111 | Other deduction items (not Material) from TAXREC 2 | - | 0 | 0 | 0 | |
| 112 | | | | | | |
| 113 | Subtotal | = | 214,755 | 0 | 214,755 | |
| 114 | <i>Other deductions (Please explain the nature of the deductions)</i> | | | | | |
| 115 | Charitable donations - tax basis | - | | | 0 | |
| 116 | | - | | | 0 | |
| 117 | | - | | | 0 | |
| 118 | | - | | | 0 | |
| 119 | | - | | | 0 | |
| 120 | <i>Total Other Deductions</i> | = | 0 | 0 | 0 | |
| 121 | | | | | | |
| 122 | Total Deductions | = | 214,755 | 0 | 214,755 | |
| 123 | | | | | | |
| 124 | Recap Material Deductions: | | | | | |
| 125 | | | 0 | 0 | 0 | |
| 126 | | | 0 | 0 | 0 | |
| 127 | | | 0 | 0 | 0 | |
| 128 | | | 0 | 0 | 0 | |
| 129 | | | 0 | 0 | 0 | |
| 130 | <i>Total Other Deductions exceed materiality level</i> | | 0 | 0 | 0 | |
| 131 | Other Deductions less than materiality level | | 0 | 0 | 0 | |
| 132 | Total Other Deductions | | 0 | 0 | 0 | |
| 133 | | | | | | |
| 134 | TAXABLE INCOME | = | 28,268 | 0 | 28,268 | |
| 135 | DEDUCT: | | | | | |
| 136 | Non-capital loss applied positive number | - | | | 0 | |
| 137 | Net capital loss applied positive number | - | | | 0 | |
| 138 | | | | | 0 | |
| 139 | NET TAXABLE INCOME | = | 28,268 | 0 | 28,268 | |
| 140 | | | | | | |
| 141 | FROM ACTUAL TAX RETURNS | | | | | |
| 142 | Net Federal Income Tax (Must agree with tax return) | + | 3,709 | | 3,709 | |
| 143 | Net Ontario Income Tax (Must agree with tax return) | + | 1,555 | | 1,555 | |
| 144 | Subtotal | = | 5,264 | 0 | 5,264 | |

| | A | B | C | D | 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 | |
| 145 | Less: Miscellaneous tax credits (Must agree with tax returns) | - | | | 0 | |
| 146 | Total Income Tax | = | 5,264 | 0 | 5,264 | |
| 147 | | | | | | |
| 148 | FROM ACTUAL TAX RETURNS | | | | | |
| 149 | Net Federal Income Tax Rate (Must agree with tax return) | | 13.12% | | 13.12% | Divide federal |
| 150 | Net Ontario Income Tax Rate (Must agree with tax return) | | 5.50% | | 5.50% | Divide Ontario |
| 151 | Blended Income Tax Rate | | 18.62% | ***** | 18.62% | |
| 152 | | | | | | |
| 153 | Section F: Income and Capital Taxes | | | | | |
| 154 | | | | | | |
| 155 | RECAP | | | | | |
| 156 | Total Income Taxes | + | 5,264 | 0 | 5,264 | |
| 157 | Ontario Capital Tax | + | 4,867 | | 4,867 | |
| 158 | Federal Large Corporations Tax | + | | | 0 | |
| 159 | | | | | | |
| 160 | Total income and capital taxes | = | 10,131 | 0 | 10,131 | |
| 161 | | | | | | |

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

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 9 | Reporting period: 2005 | | | | | |
| 10 | Number of days in taxation year: | | 181 | | | |
| 11 | Materiality Level: | | 0 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 16 | Add: | | | | | |
| 17 | | + | | | 0 | |
| 18 | Gain on sale of eligible capital property | + | | | 0 | |
| 19 | Loss on disposal of assets | + | 179,826 | | 179,826 | |
| 20 | Charitable donations (Only if it benefits ratepayers) | + | | | 0 | |
| 21 | Taxable capital gains | + | | | 0 | |
| 22 | | + | | | 0 | |
| 23 | Scientific research expenditures deducted | + | | | 0 | |
| 24 | per financial statements | + | | | 0 | |
| 25 | Capitalized interest | + | | | 0 | |
| 26 | Soft costs on construction and renovation of buildings | + | | | 0 | |
| 27 | Capital items expensed | + | | | 0 | |
| 28 | Debt issue expense | + | | | 0 | |
| 29 | Financing fees deducted in books | + | | | 0 | |
| 30 | Gain on settlement of debt | + | | | 0 | |
| 31 | Interest paid on income debentures | + | | | 0 | |
| 32 | Recapture of SR&ED expenditures | + | | | 0 | |
| 33 | Share issue expense | + | | | 0 | |
| 34 | Write down of capital property | + | | | 0 | |
| 35 | Amounts received in respect of qualifying environment trust | + | | | 0 | |
| 36 | Provision for bad debts | + | | | 0 | |
| 37 | | + | | | 0 | |
| 38 | | + | | | 0 | |
| 39 | | + | | | 0 | |
| 40 | Other Additions: (please explain in detail the nature of the item) | + | | | 0 | |
| 41 | | + | | | 0 | |
| 42 | | + | | | 0 | |
| 43 | | + | | | 0 | |
| 44 | | + | | | 0 | |
| 45 | | + | | | 0 | |
| 46 | Total Additions | = | 179,826 | 0 | 179,826 | |
| 47 | | | | | | |
| 48 | Recap of Material Additions: | | | | | |
| 49 | | | 0 | 0 | 0 | |
| 50 | | | 0 | 0 | 0 | |
| 51 | Loss on disposal of assets | | 179,826 | 0 | 179,826 | |
| 52 | | | 0 | 0 | 0 | |
| 53 | | | 0 | 0 | 0 | |
| 54 | | | 0 | 0 | 0 | |
| 55 | | | 0 | 0 | 0 | |
| 56 | | | 0 | 0 | 0 | |
| 57 | | | 0 | 0 | 0 | |
| 58 | | | 0 | 0 | 0 | |
| 59 | | | 0 | 0 | 0 | |
| 60 | | | 0 | 0 | 0 | |
| 61 | | | 0 | 0 | 0 | |
| 62 | | | 0 | 0 | 0 | |
| 63 | | | 0 | 0 | 0 | |
| 64 | | | 0 | 0 | 0 | |
| 65 | | | 0 | 0 | 0 | |
| 66 | | | 0 | 0 | 0 | |
| 67 | | | 0 | 0 | 0 | |
| 68 | | | 0 | 0 | 0 | |
| 69 | | | 0 | 0 | 0 | |
| 70 | | | 0 | 0 | 0 | |
| 71 | | | 0 | 0 | 0 | |
| 72 | | | 0 | 0 | 0 | |
| 73 | | | 0 | 0 | 0 | |
| 74 | | | 0 | 0 | 0 | |
| 75 | | | 0 | 0 | 0 | |
| 76 | | | 0 | 0 | 0 | |
| 77 | | | 0 | 0 | 0 | |
| 78 | | | | | | |
| 79 | Total Material additions | | 179,826 | 0 | 179,826 | |
| 80 | Other additions less than materiality level | | 0 | 0 | 0 | |

| | A | B | C | D | E | F |
|-----|--|------|-----------|--------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 9 | Reporting period: 2005 | | | | | |
| 10 | Number of days in taxation year: | | 181 | | | |
| 11 | Materiality Level: | | 0 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 81 | Total Additions | | 179,826 | 0 | 179,826 | |
| 82 | | | | | | |
| 83 | Deduct: | | | | | |
| 84 | Gain on disposal of assets per f/s | - | | | 0 | |
| 85 | Dividends not taxable under section 83 | - | | | 0 | |
| 86 | Terminal loss from Schedule 8 | - | | | 0 | |
| 87 | Depreciation in inventory, end of prior year | - | | | 0 | |
| 88 | Scientific research expenses claimed in year from Form T661 | - | | | 0 | |
| 89 | Bad debts | - | | | 0 | |
| 90 | Book income of joint venture or partnership | - | | | 0 | |
| 91 | Equity in income from subsidiary or affiliates | - | | | 0 | |
| 92 | Contributions to a qualifying environment trust | - | | | 0 | |
| 93 | Other income from financial statements | - | | | 0 | |
| 94 | | - | | | | |
| 95 | | - | | | 0 | |
| 96 | | - | | | 0 | |
| 97 | <i>Other deductions: (Please explain in detail the nature of the item)</i> | - | | | 0 | |
| 98 | | - | | | 0 | |
| 99 | | - | | | 0 | |
| 100 | | - | | | 0 | |
| 101 | | - | | | 0 | |
| 102 | Total Deductions | = | 0 | 0 | 0 | |
| 103 | | | | | | |
| 104 | Recap of Material Deductions: | | | | | |
| 105 | | | 0 | 0 | 0 | |
| 106 | | | 0 | 0 | 0 | |
| 107 | | | 0 | 0 | 0 | |
| 108 | | | 0 | 0 | 0 | |
| 109 | | | 0 | 0 | 0 | |
| 110 | | | 0 | 0 | 0 | |
| 111 | | | 0 | 0 | 0 | |
| 112 | | | 0 | 0 | 0 | |
| 113 | | | 0 | 0 | 0 | |
| 114 | | | 0 | 0 | 0 | |
| 115 | | | 0 | 0 | 0 | |
| 116 | | | 0 | 0 | 0 | |
| 117 | | | 0 | 0 | 0 | |
| 118 | | | 0 | 0 | 0 | |
| 119 | | | 0 | 0 | 0 | |
| 120 | | | 0 | 0 | 0 | |
| 121 | | | 0 | 0 | 0 | |
| 122 | Total Deductions exceed materiality level | | 0 | 0 | 0 | |
| 123 | Other deductions less than materiality level | | 0 | 0 | 0 | |
| 124 | Total Deductions | | 0 | 0 | 0 | |
| 125 | | | | | | |

| | A | B | C | D | E | F |
|----|--|------|-----------|--------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | | | | | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 3) | | | | | |
| 4 | Shareholder-only Items should be shown on TAXREC 3 | LINE | M of F | Non-wires | Wires-only | |
| 5 | <u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u> | | 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 | | | | | | |
| 11 | Reporting period: 2005 | | | | | |
| 12 | Number of days in taxation year: | | 181 | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 17 | Add: | | | | | |
| 18 | | | | | | |
| 19 | Recapture of capital cost allowance | + | | | 0 | |
| 20 | CCA adjustments | + | | | 0 | |
| 21 | CEC adjustments | + | | | 0 | |
| 22 | Gain on sale of non-utility eligible capital property | + | | | 0 | |
| 23 | Gain on sale of utility eligible capital property | + | | | 0 | |
| 24 | Loss from joint ventures or partnerships | + | | | 0 | |
| 25 | Deemed dividend income | + | | | 0 | |
| 26 | Loss in equity of subsidiaries and affiliates | + | | | 0 | |
| 27 | Loss on disposal of utility assets | + | | | 0 | |
| 28 | Loss on disposal of non-utility assets | + | | | 0 | |
| 29 | Depreciation in inventory -end of year | + | | | 0 | |
| 30 | Depreciation and amortization adjustments | + | | | 0 | |
| 31 | Dividends credited to investment account | + | | | 0 | |
| 32 | Non-deductible meals | + | | | 0 | |
| 33 | Non-deductible club dues | + | | | 0 | |
| 34 | Non-deductible automobile costs | + | | | 0 | |
| 35 | Donations - amount per books | | | | 0 | |
| 36 | Interest and penalties on unpaid taxes | | | | 0 | |
| 37 | Management bonuses unpaid after 180 days of year end | | | | 0 | |
| 38 | Imputed interest expense on Regulatory Assets | | | | 0 | |
| 39 | | + | | | 0 | |
| 40 | Ontario capital tax adjustments | + | | | 0 | |
| 41 | Changes in Regulatory Asset balances | + | | | 0 | |
| 42 | | + | | | 0 | |
| 43 | <i>Other Additions: (please explain in detail the nature of the item)</i> | + | | | 0 | |
| 44 | Income from joint ventures or partnerships | + | | | 0 | |
| 45 | | + | | | 0 | |
| 46 | | + | | | | |
| 47 | Total Additions on which true-up does not apply | = | 0 | 0 | 0 | |
| 48 | | | | | | |
| 49 | Deduct: | | | | | |
| 50 | | | | | | |
| 51 | CCA adjustments | - | | | 0 | |
| 52 | CEC adjustments | - | | | 0 | |
| 53 | Depreciation and amortization adjustments | - | | | 0 | |
| 54 | Gain on disposal of assets per financial statements | - | | | 0 | |
| 55 | Financing fee amortization - considered to be interest expense for PILs | - | | | 0 | |
| 56 | Imputed interest income on Regulatory Assets | - | | | 0 | |
| 57 | Donations - amount deductible for tax purposes | - | | | 0 | |
| 58 | Income from joint ventures or partnerships | - | | | 0 | |
| 59 | | - | | | 0 | |
| 60 | | - | | | 0 | |
| 61 | | - | | | 0 | |
| 62 | | - | | | 0 | |
| 63 | | - | | | 0 | |
| 64 | Ontario capital tax adjustments to current or prior year | - | | | 0 | |
| 65 | | - | | | 0 | |
| 66 | Changes in Regulatory Asset balances | - | | | 0 | |
| 67 | | - | | | 0 | |
| 68 | <i>Other deductions: (Please explain in detail the nature of the item)</i> | - | | | 0 | |
| 69 | | - | | | 0 | |
| 70 | | - | | | 0 | |
| 71 | | - | | | 0 | |
| 72 | | - | | | 0 | |
| 73 | Total Deductions on which true-up does not apply | = | 0 | 0 | 0 | |
| 74 | | | | | | |

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|-----------------------|---|
| 4 | Shareholder-only Items should be shown on TAXREC 3 | LINE | M of F | Non-wires | Wires-only | |
| 5 | <u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u> | | 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 | |
| 75 | | | | | | |

| | | | | | | | | | | |
|----|---|-------------|------------|---------|-----------|----------------|---|------------|---|---|
| | A | B | C | D | E | F | G | H | I | J |
| 1 | PILs TAXES - EB-2008-381 | | | | | | | | | |
| 2 | Corporate Tax Rates | | | | | Version 2009.1 | | | | |
| 3 | Exemptions, Deductions, or Thresholds | | | | | | | | | |
| 4 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | | | |
| 5 | Reporting period: 2005 | | | | | | | | | |
| 6 | | | | | | | | | | |
| 7 | Table 1 | | | | | | | | | |
| 8 | Rates Used in 2005 RAM PILs Applications for 2005 | | | | | | | | | |
| 9 | Income Range | | 0 | | 400,001 | | | | | |
| 10 | RAM 2002 | | to | | to | | | | | |
| 11 | | Year | 400,000 | | 1,128,000 | | | >1128000 | | |
| 12 | Income Tax Rate | | | | | | | | | |
| 13 | Proxy Tax Year | 2005 | | | | | | | | |
| 14 | Federal (Includes surtax) | | 13.12% | | 17.75% | | | 22.12% | | |
| 15 | and Ontario blended | | 5.50% | | 9.75% | | | 14.00% | | |
| 16 | Blended rate | | 18.62% | | 27.50% | | | 36.12% | | |
| 17 | | | | | | | | | | |
| 18 | Capital Tax Rate | | 0.300% | | | | | | | |
| 19 | LCT rate | | 0.175% | | | | | | | |
| 20 | Surtax | | 1.12% | | | | | | | |
| 21 | Ontario Capital Tax Exemption ** | MAX \$7.5MM | 7,500,000 | | | | | | | |
| 22 | Federal Large Corporations Tax Exemption ** | MAX \$50MM | 50,000,000 | | | | | | | |
| 23 | **Exemption amounts must agree with the Board-approved 2005 RAM PILs filing | | | | | | | | | |
| 24 | | | | | | | | | | |
| 25 | | | | | | | | | | |
| 26 | Table 2 | | | | | | | | | |
| 27 | Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005 | | | | | | | | | |
| 28 | Income Range | | 0 | 250,001 | 400,001 | | | >1,128,000 | | |
| 29 | Expected Rates | | to | to | to | | | | | |
| 30 | | Year | 250,000 | 400,000 | 1,128,000 | | | | | |
| 31 | Income Tax Rate | | | | | | | | | |
| 32 | Current year | 2005 | | | | | | | | |
| 33 | Federal (Includes surtax) | | 13.12% | 22.12% | 22.12% | | | 22.12% | | |
| 34 | Ontario | | 5.50% | 5.50% | 9.75% | | | 14.00% | | |
| 35 | Blended rate | | 18.62% | 27.62% | 31.87% | | | 36.12% | | |
| 36 | | | | | | | | | | |
| 37 | Capital Tax Rate | | 0.300% | | | | | | | |
| 38 | LCT rate | | 0.225% | | | | | | | |
| 39 | Surtax | | 1.12% | | | | | | | |
| 40 | Ontario Capital Tax Exemption *** 2002 | MAX \$7.5MM | 7,500,000 | | | | | | | |
| 41 | Federal Large Corporations Tax Exemption *** 2002 | MAX \$50MM | 50,000,000 | | | | | | | |
| 42 | ***Allocation of exemptions must comply with the Board's instructions regarding regulated activities. | | | | | | | | | |
| 43 | | | | | | | | | | |
| 44 | Table 3 | | | | | | | | | |
| 45 | Input Information from Utility's Actual 2005 Tax Returns | | | | | | | | | |
| 46 | Income Range | | 0 | 250,001 | 400,001 | | | >1,128,000 | | |
| 47 | | Year | to | to | to | | | | | |
| 48 | | | 250,000 | 400,000 | 1,128,000 | | | | | |
| 49 | Income Tax Rate | | | | | | | | | |
| 50 | Current year | 2005 | | | | | | | | |
| 51 | Federal (Includes surtax) | | 13.12% | 22.12% | 22.12% | | | 22.12% | | |
| 52 | Ontario | | 5.50% | 5.50% | 9.75% | | | 14.00% | | |
| 53 | Blended rate | | 18.62% | 27.62% | 31.87% | | | 36.12% | | |
| 54 | | | | | | | | | | |
| 55 | Capital Tax Rate | | 0.300% | | | | | | | |
| 56 | LCT rate | | 0.200% | | | | | | | |
| 57 | Surtax | | 1.12% | | | | | | | |
| 58 | Ontario Capital Tax Exemption * | MAX \$7.5MM | 4,583,740 | | | | | | | |
| 59 | Federal Large Corporations Tax Exemption * | MAX \$50MM | 50,000,000 | | | | | | | |
| 60 | * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule | | | | | | | | | |
| 61 | 36 | | | | | | | | | |

| | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O |
|----|--|-----|------------|---|------------|---|------------|---|------------|---|------------|---|-----------|---|----------------|
| 1 | PILs TAXES - EB-2008-381 | | | | | | | | | | | | | | |
| 2 | Analysis of PILs Tax Account 1562: | | | | | | | | | | | | | | |
| 3 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | | | | | | | | Version 2009.1 |
| 4 | Reporting period: 2005 | | | | | | | | | | | | | | 0 |
| 5 | | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | |
| 8 | Year start: | | 10/1/2001 | | 1/1/2002 | | 1/1/2003 | | 1/1/2004 | | 1/1/2005 | | 1/1/2006 | | |
| 9 | Year end: | | 12/31/2001 | | 12/31/2002 | | 12/31/2003 | | 12/31/2004 | | 12/31/2005 | | 4/30/2006 | | Total |
| 10 | | | | | | | | | | | | | | | |
| 11 | Opening balance: | = | | | 0 | | 0 | | 0 | | 0 | | 14,091 | | 0 |
| 12 | Board-approved PILs tax proxy from Decisions (1) | +/- | | | | | | | | | | | | | 0 |
| 14 | True-up Variance Adjustment Q4, 2001 (2) | +/- | | | | | | | | | | | | | 0 |
| 16 | True-up Variance Adjustment (3) | +/- | | | | | | | | | 40,590 | | | | 40,590 |
| 18 | Deferral Account Variance Adjustment Q4, 2001 (4) | | | | | | | | | | | | | | 0 |
| 20 | Deferral Account Variance Adjustment (5) | +/- | | | | | | | | | -26,499 | | | | -26,499 |
| 22 | Adjustments to reported prior years' variances (6) | +/- | | | | | | | | | | | | | 0 |
| 23 | Carrying charges (7) | +/- | | | | | | | | | | | | | 0 |
| 25 | PILs billed to (collected from) customers (8) | - | 0 | | | | | | | | | | | | 0 |
| 26 | | | | | | | | | | | | | | | |
| 27 | Ending balance: # 1562 | | 0 | | 0 | | 0 | | 0 | | 14,091 | | 14,091 | | 14,091 |
| 28 | | | | | | | | | | | | | | | |
| 29 | | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | |
| 31 | Uncollected PILs | | | | | | | | | | | | | | |
| 32 | | | | | | | | | | | | | | | |
| 33 | NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. | | | | | | | | | | | | | | |
| 34 | For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003. | | | | | | | | | | | | | | |
| 35 | | | | | | | | | | | | | | | |
| 36 | Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: \| \| \| \| \| \| \| \| \| \| |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 37 | | | | | | | | | | | | | | | |
| 38 | (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. | | | | | | | | | | | | | | |
| 39 | Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. | | | | | | | | | | | | | | |
| 40 | If the Board gave more than one decision in the year, calculate a weighted average proxy. | | | | | | | | | | | | | | |
| 41 | (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. | | | | | | | | | | | | | | |
| 42 | (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy. | | | | | | | | | | | | | | |
| 43 | (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained. | | | | | | | | | | | | | | |
| 44 | (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005. | | | | | | | | | | | | | | |
| 45 | (vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006. | | | | | | | | | | | | | | |
| 46 | | | | | | | | | | | | | | | |
| 47 | (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 48 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 49 | | | | | | | | | | | | | | | |
| 50 | (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 51 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 52 | | | | | | | | | | | | | | | |
| 53 | (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 54 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 55 | | | | | | | | | | | | | | | |
| 56 | (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 57 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 58 | | | | | | | | | | | | | | | |
| 59 | (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed. | | | | | | | | | | | | | | |
| 60 | | | | | | | | | | | | | | | |
| 61 | (7) Carrying charges are calculated on a simple interest basis. | | | | | | | | | | | | | | |
| 62 | | | | | | | | | | | | | | | |
| 63 | (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate | | | | | | | | | | | | | | |
| 64 | components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the | | | | | | | | | | | | | | |
| 65 | 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. | | | | | | | | | | | | | | |
| 66 | The 2005 PILs tax proxy is being recovered on a volumetric basis by class. | | | | | | | | | | | | | | |
| 67 | | | | | | | | | | | | | | | |
| 68 | (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied | | | | | | | | | | | | | | |
| 69 | by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; | | | | | | | | | | | | | | |
| 70 | plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components. | | | | | | | | | | | | | | |
| 71 | | | | | | | | | | | | | | | |
| 72 | In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, | | | | | | | | | | | | | | |
| 73 | for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004. | | | | | | | | | | | | | | |
| 74 | | | | | | | | | | | | | | | |
| 75 | In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, | | | | | | | | | | | | | | |
| 76 | for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used | | | | | | | | | | | | | | |
| 77 | to calculate the recovery for the period January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 78 | | | | | | | | | | | | | | | |
| 79 | (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes | | | | | | | | | | | | | | |
| 80 | will have to include amounts from 1562 and from 1590. | | | | | | | | | | | | | | |
| 81 | | | | | | | | | | | | | | | |
| 82 | | | | | | | | | | | | | | | |

Attachment 21

**2005 Revised SIMPIL Model
July 1, 2005 to December 31, 2005**

Disposition of Balance Recorded in Account 1562 Deferred PILs

| | |
|-----------------|--|
| Distributor | Middlesex Power Distribution Corp. - Middlesex |
| OEB File Number | EB-2012-0098 |
| Filing Year | 2005 |

| | A | B | C | D | E |
|----|--|-----------|------|-----------------|----------------|
| 1 | PILs TAXES - EB-2008-381 | | | | Version 2009.1 |
| 2 | REGULATORY INFORMATION (REGINFO) | | | | |
| 3 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | Colour Code | |
| 4 | Reporting period: 2005 | | | Input Cell | |
| 5 | | | | Formula in Cell | |
| 6 | Days in reporting period: | 184 | days | | |
| 7 | Total days in the calendar year: | 365 | days | | |
| 8 | | | | | |
| 9 | BACKGROUND | | | | |
| 10 | Has the utility reviewed section 149(1) ITA to | | | | |
| 11 | confirm that it is not subject to regular corporate | | | | |
| 12 | tax (and therefore subject to PILs)? | | Y/N | Y | |
| 13 | | | | | |
| 14 | Was the utility recently acquired by Hydro One | | | | |
| 15 | and now subject to s.89 & 90 PILs? | | Y/N | N | |
| 16 | | | | | |
| 17 | Is the utility a non-profit corporation? | | Y/N | N | |
| 18 | (If it is a non-profit corporation, please contact the Rates Manager at the OEB) | | | | |
| 19 | Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? | OCT | Y/N | Y | |
| 20 | | 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 | | 100.0000% | |
| 22 | | LCT | | 44.0000% | |
| 23 | | | | | |
| 24 | Accounting Year End | | Date | 31-Dec-05 | |
| 25 | | | | | |
| 26 | MARR NO TAX CALCULATIONS | | | | Regulatory |
| 27 | SHEET #7 FINAL RUD MODEL DATA | | | | Income |
| 28 | (FROM 1999 FINANCIAL STATEMENTS) | | | | |
| 29 | USE BOARD-APPROVED AMOUNTS | | | | |
| 30 | | | | | |
| 31 | Rate Base (wires-only) | | | 10,288,429 | |
| 32 | | | | | |
| 33 | Common Equity Ratio (CER) | | | 50.00% | |
| 34 | | | | | |
| 35 | 1-CER | | | 50.00% | |
| 36 | | | | | |
| 37 | Target Return On Equity | | | 9.88% | |
| 38 | | | | | |
| 39 | Debt rate | | | 7.25% | |
| 40 | | | | | |
| 41 | Market Adjusted Revenue Requirement | | | 881,204 | |
| 42 | | | | | |
| 43 | 1999 return from RUD Sheet #7 | | | 18,430 | 9,215 |
| 44 | | | | | |
| 45 | Total Incremental revenue | | | 862,774 | |
| 46 | Input: Board-approved dollar amounts phased-in | | | | |
| 47 | Amount allowed in 2001 | | | 287,591 | 143,796 |
| 48 | Amount allowed in 2002 | | | 287,591 | 143,796 |
| 49 | Amount allowed in 2003 and 2004 (will be zero due to Bill 210 | | | 287,591 | 143,796 |
| 50 | unless authorized by the Minister and the Board) | | | | 0 |
| 51 | Amount allowed in 2005 - Third tranche of MARR re: CDM | | | | |
| 52 | Other Board-approved changes to MARR or incremental revenue | | | | |
| 53 | | | | | |
| 54 | Total Regulatory Income | | | | 440,602 |
| 55 | | | | | |
| 56 | Equity | | | 5,144,215 | |
| 57 | | | | | |
| 58 | Return at target ROE | | | 508,248 | |
| 59 | | | | | |
| 60 | Debt | | | 5,144,215 | |
| 61 | | | | | |
| 62 | Deemed interest amount in 100% of MARR | Half Year | | 186,478 | |
| 63 | | Applied | | | |
| 64 | Phase-in of interest - Year 1 (2001) | | | 64,759 | |
| 65 | ((D43+D47)/D41)*D61 | | | | |
| 66 | Phase-in of interest - Year 2 (2002) | | | 125,618 | |
| 67 | ((D43+D47+D48)/D41)*D61 | | | | |
| 68 | Phase-in of interest - Year 3 (2003) and forward | | | 125,618 | |
| 69 | ((D43+D47+D48)/D41)*D61 (due to Bill 210) | | | | |
| 70 | Phase-in of interest - 2005 | | | 186,478 | |
| 71 | | | | | |
| 72 | | | | | |

| | A | B | C | D | E | F | G | H |
|----|---|-------------|-----------------|---|-----------------|--|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 184 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 14 | II) CORPORATE INCOME TAXES | | | | | | | |
| 15 | | | | | | | | |
| 16 | Regulatory Net Income REGINFO E53 | 1 | 440,602 | | -150,908 | RAM pro-rated for half year 2005 | 289,694 | |
| 17 | | | | | | | | |
| 18 | BOOK TO TAX ADJUSTMENTS | | | | | | | |
| 19 | Additions: | | | | | | | |
| 20 | Depreciation & Amortization | 2 | 228,575 | | -19,195 | | 209,380 | |
| 21 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | 0 | |
| 22 | Tax reserves - beginning of year | 4 | | | 0 | | 0 | |
| 23 | Reserves from financial statements - end of year | 4 | | | 100,404 | | 100,404 | |
| 24 | Regulatory Adjustments - increase in income | 5 | | | 0 | | 0 | |
| 25 | Other Additions (See Tab entitled "TAXREC") | | | | | | | |
| 26 | "Material" Items from "TAXREC" worksheet | 6 | | | 0 | | 0 | |
| 27 | Other Additions (not "Material") "TAXREC" | 6 | | | 0 | | 0 | |
| 28 | "Material" Items from "TAXREC 2" worksheet | 6 | | | 0 | | 0 | |
| 29 | Other Additions (not "Material") "TAXREC 2" | 6 | | | 0 | | 0 | |
| 30 | Items on which true-up does not apply "TAXREC 3" | | | | 868,537 | | 868,537 | |
| 31 | | | | | | | | |
| 32 | Deductions: Input positive numbers | | | | | | | |
| 33 | Capital Cost Allowance and CEC | 7 | 201,461 | | 10,834 | | 212,295 | |
| 34 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | 0 | |
| 35 | Items Capitalized for Regulatory Purposes | 9 | | | 0 | | 0 | |
| 36 | Regulatory Adjustments - deduction for tax purposes in Item 5 | 10 | | | 0 | | 0 | |
| 37 | Interest Expense Deemed/ Incurred | 11 | 186,478 | | -24,013 | | 162,465 | |
| 38 | Tax reserves - end of year | 4 | | | 148,929 | | 148,929 | |
| 39 | Reserves from financial statements - beginning of year | 4 | | | 0 | | 0 | |
| 40 | Contributions to deferred income plans | 3 | | | 0 | | 0 | |
| 41 | Contributions to pension plans | 3 | | | 0 | | 0 | |
| 42 | Interest capitalized for accounting but deducted for tax | 11 | | | 0 | | 0 | |
| 43 | Other Deductions (See Tab entitled "TAXREC") | | | | | | | |
| 44 | "Material" Items from "TAXREC" worksheet | 12 | | | 0 | | 0 | |
| 45 | Other Deductions (not "Material") "TAXREC" | 12 | | | 0 | | 0 | |
| 46 | Material Items from "TAXREC 2" worksheet | 12 | | | 0 | | 0 | |
| 47 | Other Deductions (not "Material") "TAXREC 2" | 12 | | | 0 | | 0 | |
| 48 | Items on which true-up does not apply "TAXREC 3" | | 35,000 | | 552,215 | | 587,215 | |
| 49 | | | | | | | | |
| 50 | TAXABLE INCOME/ (LOSS) | | 246,238 | | 110,873 | Before loss C/F | 357,111 | |
| 51 | | | | | | | | |
| 52 | BLENDED INCOME TAX RATE | | | | | | | |
| 53 | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13 | 27.50% | | 8.6201% | | 36.12% | |
| 54 | | | | | | | | |
| 55 | REGULATORY INCOME TAX | | 67,715 | | 61,274 | Actual | 128,989 | |
| 56 | | | | | | | | |
| 57 | | | | | | | | |
| 58 | Miscellaneous Tax Credits | 14 | | | 0 | Actual | 0 | |
| 59 | | | | | | | | |
| 60 | Total Regulatory Income Tax | | 67,715 | | 61,274 | Actual | 128,989 | |
| 61 | | | | | | | | |
| 62 | | | | | | | | |
| 63 | III) CAPITAL TAXES | | | | | | | |
| 64 | | | | | | | | |
| 65 | Ontario | | | | | | | |
| 66 | Base | 15 | 10,288,429 | | 2,266,315 | | 12,554,744 | |
| 67 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 16 | 7,500,000 | | -3,529,151 | | 3,970,849 | |
| 68 | Taxable Capital | | 2,788,429 | | -1,262,836 | | 8,583,895 | |
| 69 | | | | | | | | |
| 70 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 17 | 0.3000% | | 0.0000% | | 0.3000% | |
| 71 | | | | | | | | |
| 72 | Ontario Capital Tax | | 4,217 | | 8,765 | Overpaid | 12,982 | |
| 73 | | | | | | | | |
| 74 | Federal Large Corporations Tax | | | | | | | |
| 75 | Base | 18 | 10,288,429 | | 11,711,571 | | 22,000,000 | |
| 76 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 19 | 50,000,000 | | 0 | | 50,000,000 | |
| 77 | Taxable Capital | | 0 | | 11,711,571 | | 0 | |
| 78 | | | | | | | | |
| 79 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 20 | 0.1750% | | 0.0250% | | 0.2000% | |
| 80 | | | | | | | | |
| 81 | Gross Amount of LCT before surtax offset (Taxable Capital x Rate) | | 0 | | 0 | | 0 | |
| 82 | Less: Federal Surtax 1.12% x Taxable Income | 21 | 0 | | 0 | | 0 | |
| 83 | | | | | | | | |
| 84 | Net LCT | | 0 | | 0 | | 0 | |
| 85 | | | | | | | | |

| | A | B | C | D | E | F | G | H |
|-----|--|-------------|-----------------|---|----------------|--------------------|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 184 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 13 | | | | | | | | |
| 86 | III) INCLUSION IN RATES | | | | | | | |
| 87 | | | | | | | | |
| 88 | Income Tax Rate used for gross- up (exclude surtax) | | 27.50% | | | | | |
| 89 | | | | | | | | |
| 90 | Income Tax (proxy tax is grossed-up) | 22 | 93,401 | | | Actual 2005 | 128,989 | |
| 91 | LCT (proxy tax is grossed-up) | 23 | 0 | | | Actual 2005 | 0 | |
| 92 | Ontario Capital Tax (no gross-up since it is deductible) | 24 | 4,217 | | | Actual 2005 | 12,982 | |
| 93 | | | | | | | | |
| 94 | | | | | | | | |
| 95 | Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 | 25 | 97,618 | | | Actual 2005 | 141,971 | |
| 96 | RAM DECISION | | | | | | | |
| 97 | | | | | | | | |
| 98 | | | | | | | | |
| 99 | IV) FUTURE TRUE-UPS | | | | | | | |
| 100 | IV a) Calculation of the True-up Variance | | | | DR/(CR) | | | |
| 101 | In Additions: | | | | | | | |
| 102 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | | |
| 103 | Tax reserves deducted in prior year | 4 | | | 0 | | | |
| 104 | Reserves from financial statements-end of year | 4 | | | 100,404 | | | |
| 105 | Regulatory Adjustments | 5 | | | 0 | | | |
| 106 | Other additions "Material" Items TAXREC | 6 | | | 0 | | | |
| 107 | Other additions "Material" Items TAXREC 2 | 6 | | | 0 | | | |
| 108 | In Deductions - positive numbers | | | | | | | |
| 109 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | | |
| 110 | Items Capitalized for Regulatory Purposes | 9 | | | 0 | | | |
| 111 | Regulatory Adjustments | 10 | | | 0 | | | |
| 112 | Interest Adjustment for tax purposes (See Below - cell I204) | 11 | | | 0 | | | |
| 113 | Tax reserves claimed in current year | 4 | | | 148,929 | | | |
| 114 | Reserves from F/S beginning of year | 4 | | | 0 | | | |
| 115 | Contributions to deferred income plans | 3 | | | 0 | | | |
| 116 | Contributions to pension plans | 3 | | | 0 | | | |
| 117 | Other deductions "Material" Items TAXREC | 12 | | | 0 | | | |
| 118 | Other deductions "Material" Item TAXREC 2 | 12 | | | 0 | | | |
| 119 | | | | | | | | |
| 120 | Total TRUE-UPS before tax effect | 26 | | = | -48,525 | | | |
| 121 | | | | | | | | |
| 122 | Income Tax Rate (including surtax) from 2005 Utility's tax return | | | x | 36.12% | | | |
| 123 | | | | | | | | |
| 124 | Income Tax Effect on True-up adjustments | | | = | -17,527 | | | |
| 125 | | | | | | | | |
| 126 | Less: Miscellaneous Tax Credits | 14 | | | 0 | | | |
| 127 | | | | | | | | |
| 128 | Total Income Tax on True-ups | | | | -17,527 | | | |
| 129 | | | | | | | | |
| 130 | Income Tax Rate used for gross-up (exclude surtax) | | | | 35.00% | | | |
| 131 | | | | | | | | |
| 132 | TRUE-UP VARIANCE ADJUSTMENT | | | | (26,965) | | | |
| 133 | | | | | | | | |
| 134 | IV b) Calculation of the Deferral Account Variance caused by changes in legislation | | | | | | | |
| 135 | | | | | | | | |
| 136 | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) | | | = | 246,238 | | | |
| 137 | | | | | | | | |
| 138 | REVISED CORPORATE INCOME TAX RATE (including surtax) | | | x | 36.12% | | | |
| 139 | | | | | | | | |
| 140 | REVISED REGULATORY INCOME TAX | | | = | 88,941 | | | |
| 141 | | | | | | | | |
| 142 | Less: Revised Miscellaneous Tax Credits | | | - | 0 | | | |
| 143 | | | | | | | | |
| 144 | Total Revised Regulatory Income Tax | | | = | 88,941 | | | |
| 145 | | | | | | | | |
| 146 | Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58) | | | - | 67,715 | | | |
| 147 | | | | | | | | |
| 148 | Regulatory Income Tax Variance | | | = | 21,226 | | | |
| 149 | | | | | | | | |

| | A | B | C | D | E | F | G | H |
|-----|--|-------------|-----------------|---|--------------|-------------|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | ITEM | Initial | | M of F | M of F | Tax | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | K-C | Explanation | | |
| 5 | 0 | | | | | | Version 2009.1 | |
| 6 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | |
| 7 | Reporting period: 2005 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 184 | days | | | | Column | |
| 10 | Total days in the calendar year: | 365 | days | | | | Brought | |
| 11 | | | | | | | From | |
| 12 | | | | | | | TAXREC | |
| 13 | | | \$ | | \$ | | \$ | |
| 150 | Ontario Capital Tax | | | | | | | |
| 151 | Base | | | = | 10,288,429 | | | |
| 152 | Less: Exemption from tab Tax Rates, Table 2, cell C39 | | | - | 7,500,000 | | | |
| 153 | Revised deemed taxable capital | | | = | 2,788,429 | | | |
| 154 | | | | | | | | |
| 155 | Rate - Tab Tax Rates cell C54 | | | x | 0.3000% | | | |
| 156 | | | | | | | | |
| 157 | Revised Ontario Capital Tax | | | = | 4,217 | | | |
| 158 | Less: Ontario Capital Tax reported in the initial estimate column (Cell C70) | | | - | 4,217 | | | |
| 159 | Regulatory Ontario Capital Tax Variance | | | = | 0 | | | |
| 160 | | | | | | | | |
| 161 | Federal LCT | | | | | | | |
| 162 | Base | | | | 10,288,429 | | | |
| 163 | Less: Exemption from tab Tax Rates, Table 2, cell C40 | | | - | 50,000,000 | | | |
| 164 | Revised Federal LCT | | | = | (39,711,571) | | | |
| 165 | | | | | | | | |
| 166 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51 | | | | 0.2000% | | | |
| 167 | | | | | | | | |
| 168 | Gross Amount | | | | 0 | | | |
| 169 | Less: Federal surtax | | | - | 0 | | | |
| 170 | Revised Net LCT | | | = | 0 | | | |
| 171 | | | | | | | | |
| 172 | Less: Federal LCT reported in the initial estimate column (Cell C82) | | | - | 0 | | | |
| 173 | Regulatory Federal LCT Variance | | | = | 0 | | | |
| 174 | | | | | | | | |
| 175 | Actual Income Tax Rate used for gross-up (exclude surtax) | | | | 35.00% | | | |
| 176 | | | | | | | | |
| 177 | Income Tax (grossed-up) | | | + | 32,655 | | | |
| 178 | LCT (grossed-up) | | | + | 0 | | | |
| 179 | Ontario Capital Tax | | | + | 0 | | | |
| 180 | | | | | | | | |
| 181 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT | | | = | 32,655 | | | |
| 182 | | | | | | | | |
| 183 | TRUE-UP VARIANCE (from cell I130) | | | + | (26,965) | | | |
| 184 | | | | | | | | |
| 185 | Total Deferral Account Entry (Positive Entry = Debit) | | | = | 5,690 | | | |
| 186 | (Deferral Account Variance + True-up Variance) | | | | | | | |
| 187 | | | | | | | | |
| 188 | | | | | | | | |
| 189 | | | | | | | | |
| 190 | V) INTEREST PORTION OF TRUE-UP | | | | | | | |
| 191 | Variance Caused By Phase-in of Deemed Debt | | | | | | | |
| 192 | | | | | | | | |
| 193 | Total deemed interest (REGINFO) | | | | 186,478 | | | |
| 194 | Interest phased-in (Cell C36) | | | | 125,618 | | | |
| 195 | | | | | | | | |
| 196 | Variance due to phase-in of debt component of MARR in rates | | | | 60,859 | | | |
| 197 | according to the Board's decision | | | | | | | |
| 198 | | | | | | | | |
| 199 | Other Interest Variances (i.e. Borrowing Levels | | | | | | | |
| 200 | Above Deemed Debt per Rate Handbook) | | | | | | | |
| 201 | Interest deducted on MoF filing (Cell K36+K41) | | | | 162,465 | | | |
| 202 | Total deemed interest (REGINFO CELL D61) | | | | 186,478 | | | |
| 203 | | | | | | | | |
| 204 | Variance caused by excess debt | | | | 0 | | | |
| 205 | | | | | | | | |
| 206 | Interest Adjustment for Tax Purposes (carry forward to Cell I110) | | | | 0 | | | |
| 207 | | | | | | | | |
| 208 | Total Interest Variance | | | | 60,859 | | | |
| 209 | | | | | | | | |
| 210 | | | | | | | | |
| 211 | | | | | | | | |

| | A | B | C | D | 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 | |
| 6 | Section A: Identification: | | | | | |
| 7 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 8 | Reporting period: 2005 | | | | | |
| 9 | Taxation Year's start date: | | | | | |
| 10 | Taxation Year's end date: | | | | | |
| 11 | Number of days in taxation year: | | 184 | days | | |
| 12 | | | | | | |
| 13 | Please enter the Materiality Level : | | 12,861 | < - enter materiality level | | |
| 14 | (0.25% x Rate Base x CER) | Y/N | Y | | | |
| 15 | (0.25% x Net Assets) | Y/N | N | | | |
| 16 | Or other measure (please provide the basis of the amount) | Y/N | N | | | |
| 17 | Does the utility carry on non-wires related operation? | Y/N | N | | | |
| 18 | (Please complete the questionnaire in the Background questionnaire worksheet.) | | | | | |
| 19 | | | | | | |
| 20 | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K | | | | | |
| 21 | | | | | | |
| 22 | Section B: Financial statements data: | | | | | |
| 23 | <i>Input unconsolidated financial statement data submitted with Tax returns.</i> | | | | | |
| 24 | <i>The actual categories of the income statements should be used.</i> | | | | | |
| 25 | <i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i> | | | | | |
| 26 | | | | | | |
| 27 | <i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i> | | | | | |
| 28 | <i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i> | | | | | |
| 29 | | | | | | |
| 30 | Income: | | | | | |
| 31 | Energy Sales | + | 7,400,668 | | 7,400,668 | |
| 32 | Distribution Revenue | + | 1,042,781 | | 1,042,781 | |
| 33 | Other Income | + | 234,670 | | 234,670 | |
| 34 | Miscellaneous income | + | | | 0 | |
| 35 | | + | | | 0 | |
| 36 | Revenue should be entered above this line | | | | | |
| 37 | | | | | | |
| 38 | Costs and Expenses: | | | | | |
| 39 | Cost of energy purchased | - | 7,400,668 | | 7,400,668 | |
| 40 | Administration | - | 79,844 | | 79,844 | |
| 41 | Customer billing and collecting | - | 290,778 | | 290,778 | |
| 42 | Operations and maintenance | - | 407,755 | | 407,755 | |
| 43 | Amortization | - | 209,380 | | 209,380 | |
| 44 | Ontario Capital Tax | - | | | 0 | |
| 45 | Reg Assets | - | | | 0 | |
| 46 | | - | | | 0 | |
| 47 | | - | | | 0 | |
| 48 | | - | | | 0 | |
| 49 | | | | | | |
| 50 | Net Income Before Interest & Income Taxes EBIT | = | 289,694 | 0 | 289,694 | |
| 51 | Less: Interest expense for accounting purposes | - | 162,465 | | 162,465 | |
| 52 | Provision for payments in lieu of income taxes | - | | | 0 | |
| 53 | Net Income (loss) | = | 127,229 | 0 | 127,229 | |
| 54 | <i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i> | | | | | |
| 55 | | | | | | |
| 56 | 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 | |
| 60 | Federal large corporation tax | + | | | 0 | |
| 61 | Depreciation & Amortization | + | 209,380 | 0 | 209,380 | |
| 62 | Employee benefit plans-accrued, not paid | + | | 0 | 0 | |
| 63 | Tax reserves - beginning of year | + | 0 | 0 | 0 | |
| 64 | Reserves from financial statements- end of year | + | 100,404 | 0 | 100,404 | |
| 65 | Regulatory adjustments on which true-up may apply (see A66) | + | | | 0 | |
| 66 | Items on which true-up does not apply "TAXREC 3" | | 868,537 | 0 | 868,537 | |
| 67 | Material addition items from TAXREC 2 | + | 0 | 0 | 0 | |
| 68 | Other addition items (not Material) from TAXREC 2 | + | 0 | 0 | 0 | |
| 69 | | | | | | |
| 70 | Subtotal | | 1,178,321 | 0 | 1,178,321 | |
| 71 | | | | | | |
| 72 | <i>Other Additions: (Please explain the nature of the additions)</i> | | | | | |
| 73 | Recapture of CCA | + | | | 0 | |
| 74 | Non-deductible meals and entertainment expense | + | | | 0 | |

| | A | B | C | D | 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 | |
| 75 | Capital items expensed | + | | | 0 | |
| 76 | | + | | | 0 | |
| 77 | | + | | | 0 | |
| 78 | | + | | | 0 | |
| 79 | | + | | | 0 | |
| 80 | <i>Total Other Additions</i> | = | 0 | 0 | 0 | |
| 81 | | | | | | |
| 82 | Total Additions | = | 1,178,321 | 0 | 1,178,321 | |
| 83 | | | | | | |
| 84 | Recap Material Additions: | | | | | |
| 85 | | | 0 | 0 | 0 | |
| 86 | | | 0 | 0 | 0 | |
| 87 | | | 0 | 0 | 0 | |
| 88 | | | 0 | 0 | 0 | |
| 89 | | | 0 | 0 | 0 | |
| 90 | | | 0 | 0 | 0 | |
| 91 | | | 0 | 0 | 0 | |
| 92 | <i>Total Other additions >materiality level</i> | | 0 | 0 | 0 | |
| 93 | Other additions (less than materiality level) | | 0 | 0 | 0 | |
| 94 | Total Other Additions | | 0 | 0 | 0 | |
| 95 | | | | | | |
| 96 | BOOK TO TAX DEDUCTIONS: | | | | | |
| 97 | Capital cost allowance | - | 200,009 | | 200,009 | |
| 98 | Cumulative eligible capital deduction | - | 12,286 | | 12,286 | |
| 99 | Employee benefit plans-paid amounts | - | | | 0 | |
| 100 | Items capitalized for regulatory purposes | - | | | 0 | |
| 101 | <i>Regulatory adjustments :</i> | - | | | 0 | |
| 102 | CCA | - | | | 0 | |
| 103 | <i>other deductions</i> | - | | | 0 | |
| 104 | <i>Tax reserves - end of year</i> | - | 148,929 | 0 | 148,929 | |
| 105 | <i>Reserves from financial statements- beginning of year</i> | - | 0 | 0 | 0 | |
| 106 | <i>Contributions to deferred income plans</i> | - | | | 0 | |
| 107 | <i>Contributions to pension plans</i> | - | | | 0 | |
| 108 | <i>Items on which true-up does not apply "TAXREC 3"</i> | | 587,215 | 0 | 587,215 | |
| 109 | Interest capitalized for accounting deducted for tax | - | | | 0 | |
| 110 | Material deduction items from TAXREC 2 | - | 0 | 0 | 0 | |
| 111 | Other deduction items (not Material) from TAXREC 2 | - | 0 | 0 | 0 | |
| 112 | | | | | | |
| 113 | Subtotal | = | 948,439 | 0 | 948,439 | |
| 114 | <i>Other deductions (Please explain the nature of the deductions)</i> | | | | | |
| 115 | Charitable donations - tax basis | - | | | 0 | |
| 116 | <i>Gain on disposal of assets</i> | - | | | 0 | |
| 117 | | - | | | 0 | |
| 118 | | - | | | 0 | |
| 119 | | - | | | 0 | |
| 120 | <i>Total Other Deductions</i> | = | 0 | 0 | 0 | |
| 121 | | | | | | |
| 122 | Total Deductions | = | 948,439 | 0 | 948,439 | |
| 123 | | | | | | |
| 124 | Recap Material Deductions: | | | | | |
| 125 | | | 0 | 0 | 0 | |
| 126 | | | 0 | 0 | 0 | |
| 127 | | | 0 | 0 | 0 | |
| 128 | | | 0 | 0 | 0 | |
| 129 | | | 0 | 0 | 0 | |
| 130 | <i>Total Other Deductions exceed materiality level</i> | | 0 | 0 | 0 | |
| 131 | Other Deductions less than materiality level | | 0 | 0 | 0 | |
| 132 | Total Other Deductions | | 0 | 0 | 0 | |
| 133 | | | | | | |
| 134 | TAXABLE INCOME | = | 357,111 | 0 | 357,111 | |
| 135 | DEDUCT: | | | | | |
| 136 | Non-capital loss applied positive number | - | | | 0 | |
| 137 | Net capital loss applied positive number | - | | | 0 | |
| 138 | | | | | 0 | |
| 139 | NET TAXABLE INCOME | = | 357,111 | 0 | 357,111 | |
| 140 | | | | | | |
| 141 | FROM ACTUAL TAX RETURNS | | | | | |
| 142 | Net Federal Income Tax (Must agree with tax return) | + | 78,993 | | 78,993 | |
| 143 | Net Ontario Income Tax (Must agree with tax return) | + | 49,996 | | 49,996 | |
| 144 | Subtotal | = | 128,989 | 0 | 128,989 | |

| | A | B | C | D | 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 | |
| 145 | Less: Miscellaneous tax credits (Must agree with tax returns) | - | | | 0 | |
| 146 | Total Income Tax | = | 128,989 | 0 | 128,989 | |
| 147 | | | | | | |
| 148 | FROM ACTUAL TAX RETURNS | | | | | |
| 149 | Net Federal Income Tax Rate (Must agree with tax return) | | 22.12% | | 22.12% | Divide federal |
| 150 | Net Ontario Income Tax Rate (Must agree with tax return) | | 14.00% | | 14.00% | Divide Ontario |
| 151 | Blended Income Tax Rate | | 36.12% | ***** | 36.12% | |
| 152 | | | | | | |
| 153 | Section F: Income and Capital Taxes | | | | | |
| 154 | | | | | | |
| 155 | RECAP | | | | | |
| 156 | Total Income Taxes | + | 128,989 | 0 | 128,989 | |
| 157 | Ontario Capital Tax | + | 12,982 | | 12,982 | |
| 158 | Federal Large Corporations Tax | + | | | 0 | |
| 159 | | | | | | |
| 160 | Total income and capital taxes | = | 141,971 | 0 | 141,971 | |
| 161 | | | | | | |

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|-----------------------|---|
| 1 | PILs TAXES - EB-2008-381 | LINE | M of F | Non-wires | Wires-only | |
| 2 | Tax and Accounting Reserves | | Corporate | Eliminations | Tax | |
| 3 | For MoF Column of TAXCALC | | Tax | | Return | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Return | | | |
| 5 | 0 | | | | Version 2009.1 | |
| 6 | | | | | | |
| 7 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 8 | Reporting period: 2005 | | | | | |
| 9 | | | | | | |
| 10 | TAX RESERVES | | | | | |
| 11 | | | | | | |
| 12 | Beginning of Year: | | | | | |
| 13 | | | | | 0 | |
| 14 | Reserve for doubtful accounts ss. 20(1)(l) | | | | 0 | |
| 15 | Reserve for goods & services ss.20(1)(m) | | | | 0 | |
| 16 | Reserve for unpaid amounts ss.20(1)(n) | | | | 0 | |
| 17 | Debt and share issue expenses ss.20(1)(e) | | | | 0 | |
| 18 | Other - Please describe | | | | 0 | |
| 19 | Other - Please describe | | | | 0 | |
| 20 | | | | | 0 | |
| 21 | | | | | 0 | |
| 22 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 23 | | | | | | |
| 24 | End of Year: | | | | | |
| 25 | | | | | 0 | |
| 26 | Reserve for doubtful accounts ss. 20(1)(l) | | | | 0 | |
| 27 | Reserve for goods & services ss.20(1)(m) | | | | 0 | |
| 28 | Reserve for unpaid amounts ss.20(1)(n) | | | | 0 | |
| 29 | Debt and share issue expenses ss.20(1)(e) | | | | 0 | |
| 30 | Reserve for Doubtful Debts | | 63,111 | | 63,111 | |
| 31 | Reserve for Undelivered Goods and Services | | 85,818 | | 85,818 | |
| 32 | | | | | 0 | |
| 33 | | | | | 0 | |
| 34 | Insert line above this line | | | | | |
| 35 | Total (carry forward to the TAXREC worksheet) | | 148,929 | 0 | 148,929 | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | FINANCIAL STATEMENT RESERVES | | | | | |
| 39 | | | | | | |
| 40 | Beginning of Year: | | | | | |
| 41 | | | | | 0 | |
| 42 | | | | | 0 | |
| 43 | Environmental | | | | 0 | |
| 44 | Allowance for doubtful accounts | | | | 0 | |
| 45 | Inventory obsolescence | | | | 0 | |
| 46 | Property taxes | | | | 0 | |
| 47 | OPEB | | | | 0 | |
| 48 | Other - Please describe | | | | 0 | |
| 49 | Other - Please describe | | | | 0 | |
| 50 | | | | | 0 | |
| 51 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 52 | | | | | | |
| 53 | End of Year: | | | | | |
| 54 | | | | | 0 | |
| 55 | | | | | 0 | |
| 56 | Environmental | | | | 0 | |
| 57 | Allowance for doubtful accounts | | | | 0 | |
| 58 | Inventory obsolescence | | | | 0 | |
| 59 | Property taxes | | | | 0 | |
| 60 | Employee Future Benefits | | 37,293 | | 37,293 | |
| 61 | Reserve for Doubtful Debts | | 63,111 | | 63,111 | |
| 62 | | | | | 0 | |
| 63 | Insert line above this line | | | | | |
| 64 | Total (carry forward to the TAXREC worksheet) | | 100,404 | 0 | 100,404 | |
| 65 | | | | | | |

Tax Reserves

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 9 | Reporting period: 2005 | | | | | |
| 10 | Number of days in taxation year: | | 184 | | | |
| 11 | Materiality Level: | | 12,861 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 16 | Add: | | | | | |
| 17 | | + | | | 0 | |
| 18 | Gain on sale of eligible capital property | + | | | 0 | |
| 19 | Loss on disposal of assets | + | | | 0 | |
| 20 | Charitable donations (Only if it benefits ratepayers) | + | | | 0 | |
| 21 | Taxable capital gains | + | | | 0 | |
| 22 | | + | | | 0 | |
| 23 | Scientific research expenditures deducted | + | | | 0 | |
| 24 | per financial statements | + | | | 0 | |
| 25 | Capitalized interest | + | | | 0 | |
| 26 | Soft costs on construction and renovation of buildings | + | | | 0 | |
| 27 | Capital items expensed | + | | | 0 | |
| 28 | Debt issue expense | + | | | 0 | |
| 29 | Financing fees deducted in books | + | | | 0 | |
| 30 | Gain on settlement of debt | + | | | 0 | |
| 31 | Interest paid on income debentures | + | | | 0 | |
| 32 | Recapture of SR&ED expenditures | + | | | 0 | |
| 33 | Share issue expense | + | | | 0 | |
| 34 | Write down of capital property | + | | | 0 | |
| 35 | Amounts received in respect of qualifying environment trust | + | | | 0 | |
| 36 | Provision for bad debts | + | | | 0 | |
| 37 | | + | | | 0 | |
| 38 | | + | | | 0 | |
| 39 | | + | | | 0 | |
| 40 | Other Additions: (please explain in detail the nature of the item) | + | | | 0 | |
| 41 | | + | | | 0 | |
| 42 | | + | | | 0 | |
| 43 | | + | | | 0 | |
| 44 | | + | | | 0 | |
| 45 | | + | | | 0 | |
| 46 | Total Additions | = | 0 | 0 | 0 | |
| 47 | | | | | | |
| 48 | Recap of Material Additions: | | | | | |
| 49 | | | 0 | 0 | 0 | |
| 50 | | | 0 | 0 | 0 | |
| 51 | | | 0 | 0 | 0 | |
| 52 | | | 0 | 0 | 0 | |
| 53 | | | 0 | 0 | 0 | |
| 54 | | | 0 | 0 | 0 | |
| 55 | | | 0 | 0 | 0 | |
| 56 | | | 0 | 0 | 0 | |
| 57 | | | 0 | 0 | 0 | |
| 58 | | | 0 | 0 | 0 | |
| 59 | | | 0 | 0 | 0 | |
| 60 | | | 0 | 0 | 0 | |
| 61 | | | 0 | 0 | 0 | |
| 62 | | | 0 | 0 | 0 | |
| 63 | | | 0 | 0 | 0 | |
| 64 | | | 0 | 0 | 0 | |
| 65 | | | 0 | 0 | 0 | |
| 66 | | | 0 | 0 | 0 | |
| 67 | | | 0 | 0 | 0 | |
| 68 | | | 0 | 0 | 0 | |
| 69 | | | 0 | 0 | 0 | |
| 70 | | | 0 | 0 | 0 | |
| 71 | | | 0 | 0 | 0 | |
| 72 | | | 0 | 0 | 0 | |
| 73 | | | 0 | 0 | 0 | |
| 74 | | | 0 | 0 | 0 | |
| 75 | | | 0 | 0 | 0 | |
| 76 | | | 0 | 0 | 0 | |
| 77 | | | 0 | 0 | 0 | |
| 78 | | | | | | |
| 79 | Total Material additions | | 0 | 0 | 0 | |
| 80 | Other additions less than materiality level | | 0 | 0 | 0 | |

| | A | B | C | D | E | F |
|-----|---|------|-----------|--------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | |
| 9 | Reporting period: 2005 | | | | | |
| 10 | Number of days in taxation year: | | 184 | | | |
| 11 | Materiality Level: | | 12,861 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 81 | Total Additions | | 0 | 0 | 0 | |
| 82 | | | | | | |
| 83 | Deduct: | | | | | |
| 84 | Gain on disposal of assets per f/s | - | | | 0 | |
| 85 | Dividends not taxable under section 83 | - | | | 0 | |
| 86 | Terminal loss from Schedule 8 | - | | | 0 | |
| 87 | Depreciation in inventory, end of prior year | - | | | 0 | |
| 88 | Scientific research expenses claimed in year from Form T661 | - | | | 0 | |
| 89 | Bad debts | - | | | 0 | |
| 90 | Book income of joint venture or partnership | - | | | 0 | |
| 91 | Equity in income from subsidiary or affiliates | - | | | 0 | |
| 92 | Contributions to a qualifying environment trust | - | | | 0 | |
| 93 | Other income from financial statements | - | | | 0 | |
| 94 | | - | | | | |
| 95 | | - | | | 0 | |
| 96 | | - | | | 0 | |
| 97 | Other deductions: (Please explain in detail the nature of the item) | - | | | 0 | |
| 98 | | - | | | 0 | |
| 99 | | - | | | 0 | |
| 100 | | - | | | 0 | |
| 101 | | - | | | 0 | |
| 102 | Total Deductions | = | 0 | 0 | 0 | |
| 103 | | | | | | |
| 104 | Recap of Material Deductions: | | | | | |
| 105 | | | 0 | 0 | 0 | |
| 106 | | | 0 | 0 | 0 | |
| 107 | | | 0 | 0 | 0 | |
| 108 | | | 0 | 0 | 0 | |
| 109 | | | 0 | 0 | 0 | |
| 110 | | | 0 | 0 | 0 | |
| 111 | | | 0 | 0 | 0 | |
| 112 | | | 0 | 0 | 0 | |
| 113 | | | 0 | 0 | 0 | |
| 114 | | | 0 | 0 | 0 | |
| 115 | | | 0 | 0 | 0 | |
| 116 | | | 0 | 0 | 0 | |
| 117 | | | 0 | 0 | 0 | |
| 118 | | | 0 | 0 | 0 | |
| 119 | | | 0 | 0 | 0 | |
| 120 | | | 0 | 0 | 0 | |
| 121 | | | 0 | 0 | 0 | |
| 122 | Total Deductions exceed materiality level | | 0 | 0 | 0 | |
| 123 | Other deductions less than materiality level | | 0 | 0 | 0 | |
| 124 | Total Deductions | | 0 | 0 | 0 | |
| 125 | | | | | | |

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|----------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES - EB-2008-381 | | | | | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 3) | | | | | |
| 4 | Shareholder-only Items should be shown on TAXREC 3 | LINE | M of F | Non-wires | Wires-only | |
| 5 | ITEMS ON WHICH TRUE-UP DOES NOT APPLY | | Corporate | Eliminations | Tax | |
| 6 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 7 | | 0 | Return | | | |
| 8 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | Version 2009.1 | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | Reporting period: 2005 | | | | | |
| 12 | Number of days in taxation year: | | 184 | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 17 | Add: | | | | | |
| 18 | | | | | | |
| 19 | Recapture of capital cost allowance | + | | | 0 | |
| 20 | CCA adjustments | + | | | 0 | |
| 21 | CEC adjustments | + | | | 0 | |
| 22 | Gain on sale of non-utility eligible capital property | + | | | 0 | |
| 23 | Gain on sale of utility eligible capital property | + | | | 0 | |
| 24 | Loss from joint ventures or partnerships | + | | | 0 | |
| 25 | Deemed dividend income | + | | | 0 | |
| 26 | Loss in equity of subsidiaries and affiliates | + | | | 0 | |
| 27 | Loss on disposal of utility assets | + | | | 0 | |
| 28 | Loss on disposal of non-utility assets | + | | | 0 | |
| 29 | Depreciation in inventory -end of year | + | | | 0 | |
| 30 | Depreciation and amortization adjustments | + | | | 0 | |
| 31 | Dividends credited to investment account | + | | | 0 | |
| 32 | Non-deductible meals | + | 2,500 | | 2,500 | |
| 33 | Non-deductible club dues | + | | | 0 | |
| 34 | Non-deductible automobile costs | + | | | 0 | |
| 35 | Donations - amount per books | | | | 0 | |
| 36 | Interest and penalties on unpaid taxes | | | | 0 | |
| 37 | Management bonuses unpaid after 180 days of year end | | | | 0 | |
| 38 | Imputed interest expense on Regulatory Assets | | | | 0 | |
| 39 | | + | | | 0 | |
| 40 | Ontario capital tax adjustments | + | | | 0 | |
| 41 | Changes in Regulatory Asset balances | + | | | 0 | |
| 42 | | + | | | 0 | |
| 43 | Other Additions: (please explain in detail the nature of the item) | + | | | 0 | |
| 44 | Additional depreciation included in financial statement O&M | + | 15,587 | | 15,587 | |
| 45 | Regulatory Revenue Repayable | + | 380,600 | | 380,600 | |
| 46 | Regulatory Asset Recoverable | + | 469,850 | | | |
| 47 | Total Additions on which true-up does not apply | = | 868,537 | 0 | 398,687 | |
| 48 | | | | | | |
| 49 | Deduct: | | | | | |
| 50 | | | | | | |
| 51 | CCA adjustments | - | | | 0 | |
| 52 | CEC adjustments | - | | | 0 | |
| 53 | Depreciation and amortization adjustments | - | | | 0 | |
| 54 | Gain on disposal of assets per financial statements | - | | | 0 | |
| 55 | Financing fee amortization - considered to be interest expense for PILs | - | | | 0 | |
| 56 | Imputed interest income on Regulatory Assets | - | | | 0 | |
| 57 | Donations - amount deductible for tax purposes | - | | | 0 | |
| 58 | Income from joint ventures or partnerships | - | | | 0 | |
| 59 | Closing adjustment for regulatory costs | - | 587,215 | | 587,215 | |
| 60 | | - | | | 0 | |
| 61 | | - | | | 0 | |
| 62 | | - | | | 0 | |
| 63 | | - | | | 0 | |
| 64 | Ontario capital tax adjustments to current or prior year | - | | | 0 | |
| 65 | | - | | | 0 | |
| 66 | Changes in Regulatory Asset balances | - | | | 0 | |
| 67 | | - | | | 0 | |
| 68 | Other deductions: (Please explain in detail the nature of the item) | - | | | 0 | |
| 69 | | - | | | 0 | |
| 70 | | - | | | 0 | |
| 71 | | - | | | 0 | |
| 72 | | - | | | 0 | |
| 73 | Total Deductions on which true-up does not apply | = | 587,215 | 0 | 587,215 | |
| 74 | | | | | | |
| 75 | | | | | | |

| | A | B | C | D | E | F | G | H | I | J |
|----|--|-------------|--------------|--------------------|----------------------|---|------------|---|---|---|
| 1 | PILs TAXES - EB-2008-381 | | | | | | | | | |
| 2 | Corporate Tax Rates | | | | | | | | | |
| 3 | Exemptions, Deductions, or Thresholds | | | | | | | | | |
| 4 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | | | |
| 5 | Reporting period: 2005 | | | | | | | | | |
| 6 | | | | | | | | | | |
| 7 | Table 1 | | | | | | | | | |
| 8 | Rates Used in 2005 RAM PILs Applications for 2005 | | | | | | | | | |
| 9 | Income Range | | 0 to 400,000 | | 400,001 to 1,128,000 | | >1128000 | | | |
| 10 | RAM 2002 | Year | | | | | | | | |
| 11 | Income Tax Rate | | | | | | | | | |
| 12 | Proxy Tax Year | 2005 | | | | | | | | |
| 13 | Federal (Includes surtax) | | 13.12% | | 17.75% | | 22.12% | | | |
| 14 | and Ontario blended | | 5.50% | | 9.75% | | 14.00% | | | |
| 15 | Blended rate | | 18.62% | | 27.50% | | 36.12% | | | |
| 16 | Capital Tax Rate | | 0.300% | | | | | | | |
| 17 | LCT rate | | 0.175% | | | | | | | |
| 18 | Surtax | | 1.12% | | | | | | | |
| 19 | Ontario Capital Tax Exemption ** | MAX \$7.5MM | 7,500,000 | | | | | | | |
| 20 | Federal Large Corporations Tax Exemption ** | MAX \$50MM | 50,000,000 | | | | | | | |
| 21 | **Exemption amounts must agree with the Board-approved 2005 RAM PILs filing | | | | | | | | | |
| 22 | | | | | | | | | | |
| 23 | | | | | | | | | | |
| 24 | | | | | | | | | | |
| 25 | Table 2 | | | | | | | | | |
| 26 | Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005 | | | | | | | | | |
| 27 | Income Range | | 0 to 250,000 | 250,001 to 400,000 | 400,001 to 1,128,000 | | >1,128,000 | | | |
| 28 | Expected Rates | Year | | | | | | | | |
| 29 | Income Tax Rate | | | | | | | | | |
| 30 | Current year | 2005 | | | | | | | | |
| 31 | Federal (Includes surtax) | | 13.12% | 22.12% | 22.12% | | 22.12% | | | |
| 32 | Ontario | | 5.50% | 5.50% | 9.75% | | 14.00% | | | |
| 33 | Blended rate | | 18.62% | 27.62% | 31.87% | | 36.12% | | | |
| 34 | Capital Tax Rate | | 0.300% | | | | | | | |
| 35 | LCT rate | | 0.225% | | | | | | | |
| 36 | Surtax | | 1.12% | | | | | | | |
| 37 | Ontario Capital Tax Exemption *** 2002 | MAX \$7.5MM | 7,500,000 | | | | | | | |
| 38 | Federal Large Corporations Tax Exemption *** 2002 | MAX \$50MM | 50,000,000 | | | | | | | |
| 39 | ***Allocation of exemptions must comply with the Board's instructions regarding regulated activities. | | | | | | | | | |
| 40 | | | | | | | | | | |
| 41 | | | | | | | | | | |
| 42 | | | | | | | | | | |
| 43 | Table 3 | | | | | | | | | |
| 44 | Input Information from Utility's Actual 2005 Tax Returns | | | | | | | | | |
| 45 | Income Range | | 0 to 250,000 | 250,001 to 400,000 | 400,001 to 1,128,000 | | >1,128,000 | | | |
| 46 | Expected Rates | Year | | | | | | | | |
| 47 | Income Tax Rate | | | | | | | | | |
| 48 | Current year | 2005 | | | | | | | | |
| 49 | Federal (Includes surtax) | | 13.12% | 22.12% | 22.12% | | 22.12% | | | |
| 50 | Ontario | | 5.50% | 5.50% | 9.75% | | 14.00% | | | |
| 51 | Blended rate | | 18.62% | 27.62% | 31.87% | | 36.12% | | | |
| 52 | Capital Tax Rate | | 0.300% | | | | | | | |
| 53 | LCT rate | | 0.200% | | | | | | | |
| 54 | Surtax | | 1.12% | | | | | | | |
| 55 | Ontario Capital Tax Exemption * | MAX \$7.5MM | 3,970,849 | | | | | | | |
| 56 | Federal Large Corporations Tax Exemption * | MAX \$50MM | 50,000,000 | | | | | | | |
| 57 | * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36 | | | | | | | | | |
| 58 | | | | | | | | | | |
| 59 | | | | | | | | | | |
| 60 | | | | | | | | | | |
| 61 | | | | | | | | | | |

| | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O |
|----|--|-----|------------|---|------------|---|------------|---|------------|---|------------|---|-----------|---|----------------|
| 1 | PILs TAXES - EB-2008-381 | | | | | | | | | | | | | | |
| 2 | Analysis of PILs Tax Account 1562: | | | | | | | | | | | | | | |
| 3 | Utility Name: Middlesex Power Distribution Corp. - Middlesex | | | | | | | | | | | | | | Version 2009.1 |
| 4 | Reporting period: 2005 | | | | | | | | | | | | | | 0 |
| 5 | | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | |
| 8 | Year start: | | 10/1/2001 | | 1/1/2002 | | 1/1/2003 | | 1/1/2004 | | 1/1/2005 | | 1/1/2006 | | |
| 9 | Year end: | | 12/31/2001 | | 12/31/2002 | | 12/31/2003 | | 12/31/2004 | | 12/31/2005 | | 4/30/2006 | | Total |
| 10 | | | | | | | | | | | | | | | |
| 11 | Opening balance: | = | | | 0 | | 0 | | 0 | | 0 | | 5,690 | | 0 |
| 12 | Board-approved PILs tax proxy from Decisions (1) | +/- | | | | | | | | | | | | | 0 |
| 14 | True-up Variance Adjustment Q4, 2001 (2) | +/- | | | | | | | | | | | | | 0 |
| 16 | True-up Variance Adjustment (3) | +/- | | | | | | | | | -26,965 | | | | -26,965 |
| 18 | Deferral Account Variance Adjustment Q4, 2001 (4) | | | | | | | | | | | | | | 0 |
| 20 | Deferral Account Variance Adjustment (5) | +/- | | | | | | | | | 32,655 | | | | 32,655 |
| 22 | Adjustments to reported prior years' variances (6) | +/- | | | | | | | | | | | | | 0 |
| 23 | Carrying charges (7) | +/- | | | | | | | | | | | | | 0 |
| 25 | PILs billed to (collected from) customers (8) | - | 0 | | | | | | | | | | | | 0 |
| 26 | | | | | | | | | | | | | | | |
| 27 | Ending balance: # 1562 | | 0 | | 0 | | 0 | | 0 | | 5,690 | | 5,690 | | 5,690 |
| 28 | | | | | | | | | | | | | | | |
| 29 | | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | |
| 31 | Uncollected PILs | | | | | | | | | | | | | | |
| 32 | | | | | | | | | | | | | | | |
| 33 | NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. | | | | | | | | | | | | | | |
| 34 | For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003. | | | | | | | | | | | | | | |
| 35 | | | | | | | | | | | | | | | |
| 36 | Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: \| \| \| \| \| \| \| \| |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 37 | | | | | | | | | | | | | | | |
| 38 | (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. | | | | | | | | | | | | | | |
| 39 | Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. | | | | | | | | | | | | | | |
| 40 | If the Board gave more than one decision in the year, calculate a weighted average proxy. | | | | | | | | | | | | | | |
| 41 | (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. | | | | | | | | | | | | | | |
| 42 | (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy. | | | | | | | | | | | | | | |
| 43 | (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained. | | | | | | | | | | | | | | |
| 44 | (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005. | | | | | | | | | | | | | | |
| 45 | (vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006. | | | | | | | | | | | | | | |
| 46 | | | | | | | | | | | | | | | |
| 47 | (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 48 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 49 | | | | | | | | | | | | | | | |
| 50 | (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 51 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 52 | | | | | | | | | | | | | | | |
| 53 | (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 54 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 55 | | | | | | | | | | | | | | | |
| 56 | (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 57 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 58 | | | | | | | | | | | | | | | |
| 59 | (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed. | | | | | | | | | | | | | | |
| 60 | | | | | | | | | | | | | | | |
| 61 | (7) Carrying charges are calculated on a simple interest basis. | | | | | | | | | | | | | | |
| 62 | | | | | | | | | | | | | | | |
| 63 | (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate | | | | | | | | | | | | | | |
| 64 | components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the | | | | | | | | | | | | | | |
| 65 | 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. | | | | | | | | | | | | | | |
| 66 | The 2005 PILs tax proxy is being recovered on a volumetric basis by class. | | | | | | | | | | | | | | |
| 67 | | | | | | | | | | | | | | | |
| 68 | (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied | | | | | | | | | | | | | | |
| 69 | by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; | | | | | | | | | | | | | | |
| 70 | plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components. | | | | | | | | | | | | | | |
| 71 | | | | | | | | | | | | | | | |
| 72 | In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, | | | | | | | | | | | | | | |
| 73 | for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004. | | | | | | | | | | | | | | |
| 74 | | | | | | | | | | | | | | | |
| 75 | In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, | | | | | | | | | | | | | | |
| 76 | for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used | | | | | | | | | | | | | | |
| 77 | to calculate the recovery for the period January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 78 | | | | | | | | | | | | | | | |
| 79 | (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes | | | | | | | | | | | | | | |
| 80 | will have to include amounts from 1562 and from 1590. | | | | | | | | | | | | | | |
| 81 | | | | | | | | | | | | | | | |
| 82 | | | | | | | | | | | | | | | |

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Attachment 22

2005 Financial Statements
January 1, 2005 to June 30, 2005

MIDDLESEX POWER DISTRIBUTION CORPORATION

FINANCIAL STATEMENTS

JUNE 30, 2005

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 June 30, 2005 and the statements of operations, retained earnings and changes in financial position for the six month period 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 June 30, 2005 and the results of its operations and changes in financial position for the six month period then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

December 10, 2005
London, Canada

CHARTERED ACCOUNTANT

MIDDLESEX POWER DISTRIBUTION CORPORATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2005

(with comparative figures as at December 31, 2004)

| | <u>2005</u> | <u>2004</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| Current | | |
| × Cash and short term investments | \$ 1,314,183 | \$ 803,765 |
| Accounts receivable | 1,274,921 | 1,187,320 |
| Unbilled revenue | 1,878,779 | 1,510,149 |
| Inventory | 328,900 | 361,747 |
| Prepaid expenses | <u>61,395</u> | <u>56,975</u> |
| | <u>4,858,178</u> | <u>3,919,956</u> |
| Capital - at cost | | |
| Distribution plant | 8,025,435 | 7,769,885 |
| General plant | <u>222,926</u> | <u>2,098,653</u> |
| | 8,248,361 | 9,868,538 |
| Less accumulated amortization | <u>1,972,556</u> | <u>2,036,416</u> |
| | <u>6,275,805</u> | <u>7,832,122</u> |
| Other assets | | |
| Deferred assets (note 2) | <u>54,252</u> | <u>305,387</u> |
| | <u>54,252</u> | <u>305,387</u> |
| Total assets | <u>\$ 11,188,235</u> | <u>\$ 12,057,465</u> |
| LIABILITIES AND EQUITY | | |
| Current | | |
| Bank loan (note 5) | \$ 235,059 | \$ 256,108 |
| × Accounts payable and accrued liabilities | 2,984,986 | 2,514,187 |
| × Due to Township of Strathroy-Caradoc - Water Department | 865,515 | 512,906 |
| Due to Middlesex Energy Services Corporation | 245,377 | 232,969 |
| Customers' deposits | <u>136,000</u> | <u>110,000</u> |
| | <u>4,466,937</u> | <u>3,626,170</u> |
| Long term | | |
| Long-term debt (note 6) | 179,375 | 266,500 |
| Promissory notes payable (note 7) | 2,956,925 | 4,356,925 |
| Employee future benefits (note 10) | 206,747 | 206,747 |
| Customers' deposits | <u>244,527</u> | <u>266,583</u> |
| | <u>3,587,574</u> | <u>5,096,755</u> |
| Total liabilities | <u>8,054,511</u> | <u>8,722,925</u> |
| Shareholder's Equity | | |
| Common shares (note 8) | 4,631,198 | 4,631,198 |
| Accumulated net earnings (deficit) - Statement 2 | <u>(1,497,474)</u> | <u>(1,296,658)</u> |
| | <u>3,133,724</u> | <u>3,334,540</u> |
| Total liabilities and shareholder's equity | <u>\$ 11,188,235</u> | <u>\$ 12,057,465</u> |

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

MIDDLESEX POWER DISTRIBUTION CORPORATION
STATEMENT OF RETAINED EARNINGS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2005
(with comparative figures for the year ended December 31, 2004)

| | <u>2 0 0 5</u> | <u>2 0 0 4</u> |
|---|-----------------------|-----------------------|
| Accumulated net earnings (deficit), beginning of year | \$(1,296,658) | \$(1,419,238) |
| Net earnings (loss) for the year - Statement 3 | <u>(200,816)</u> | <u>122,580</u> |
| Accumulated net earnings (deficit), end of year | <u>\$(1,497,474)</u> | <u>\$(1,296,658)</u> |

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

MIDDLESEX POWER DISTRIBUTION CORPORATION
STATEMENT OF OPERATIONS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2005
(with comparative figures for the year ended December 31, 2004)

| | <u>2 0 0 5</u> | <u>2 0 0 4</u> |
|---|----------------------------|--------------------------|
| Service revenue | | |
| Residential | \$ 3,156,095 | \$ 5,409,676 |
| General | 3,119,285 | 6,333,419 |
| Commercial and industrial | 928,445 | 1,707,959 |
| Street lighting | <u>56,152</u> | <u>109,351</u> |
| | 7,259,977 | 13,560,405 |
| Cost of power | <u>6,205,259</u> | <u>11,643,832</u> |
| Gross margin on service revenue | <u>1,054,718</u> | <u>1,916,573</u> |
| Expenditures | | |
| Administration and general | 382,839 | 476,402 |
| Customers' billing and collecting | 243,296 | 461,280 |
| Distribution expenses - operations | 44,717 | 81,638 |
| Distribution expenses - maintenance | 122,004 | 209,975 |
| Amortization (note 1) | 224,745 | 494,680 |
| Interest | <u>118,354</u> | <u>264,670</u> |
| | <u>1,135,955</u> | <u>1,988,645</u> |
| Net operating revenue (loss) | <u>(81,237)</u> | <u>(72,072)</u> |
| Other revenue (expenditures) | | |
| Interest, late payment and miscellaneous charges | <u>99,515</u> | <u>234,585</u> |
| Net earnings (loss) for the year before corporate taxes | 18,278 | 162,513 |
| Loss on disposal of assets | 179,826 | |
| Provision for corporate taxes (note 9) | <u>39,268</u> | <u>39,933</u> |
| Net earnings (loss) for the year | <u>\$ (200,816)</u> | <u>\$ 122,580</u> |

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

MIDDLESEX POWER DISTRIBUTION CORPORATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2005
(with comparative figures for the year ended December 31, 2004)

| | <u>2005</u> | <u>2004</u> |
|--|------------------------------------|------------------------------------|
| Operating activities | | |
| Net earnings (loss) for the period | \$ (200,816) | \$ 122,580 |
| Charges (credits) not involving cash | | |
| Amortization | 224,745 | 494,680 |
| Net change in non-cash working capital balances related to operations (A) | <u>411,956</u> <u>435,885</u> | <u>429,084</u> <u>1,046,344</u> |
| Investing activities | | |
| Capitalization (realization) of transition costs | 251,135 | 254,261 |
| Capital asset acquisitions (net of dispositions) | <u>(68,428)</u> 182,707 | <u>(254,775)</u> (514) |
| Financing activities | | |
| Repayment of long-term debt | <u>(87,125)</u> <u>(87,125)</u> | <u>(87,125)</u> <u>(87,125)</u> |
| Change in cash during the period | 531,467 | 958,705 |
| Cash (bank indebtedness), beginning of period | <u>547,657</u> | <u>(411,048)</u> |
| Cash (bank indebtedness), end of period | <u>\$ 1,079,124</u> | <u>\$ 547,657</u> |

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

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

MIDDLESEX POWER DISTRIBUTION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

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 \$ 71,000 (2004 - \$ 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
JUNE 30, 2005

2. Deferred assets

Deferred assets include transition costs of \$ 199,829 (2004 - \$ 199,829) and retailer settlement variance accounts of \$ 91,078 (2004 - \$ 91,078). 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 the six months ending June 30, 2005 is \$ 18,176 (2004 \$ 41,976).

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 \$ 235,059 (2004 - \$ 256,108) which was repaid subsequent to June 30, 2005.

MIDDLESEX POWER DISTRIBUTION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

6. Long-term debt

The Corporation owes the Township of Strathroy Caradoc at December 31, 2005 \$ 179,375 (2004 - \$ 266,500). 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:

| | |
|--------------|-------------------|
| 2006 to 2007 | \$ <u>179,375</u> |
|--------------|-------------------|

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 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.

MIDDLESEX POWER DISTRIBUTION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

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 (2004 - \$ 206,747).

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 June 30, 2005.

The Corporation has an available line of credit from a financial institution for \$ 1,500,000. As at June 30, 2005, there was \$ NIL (2004 - \$ NIL) outstanding. The line of credit carries an interest rate of prime plus 1%.

12. Subsequent event

The Corporation and its shareholders have received Ontario Energy Board approval to sell the shares of the Corporation effective June 30, 2005 to another Local Distribution Company.

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Attachment 23

**2005 Financial Statements
July 1, 2005 to December 31, 2005**

Financial Statements of

MIDDLESEX POWER DISTRIBUTION CORPORATION

December 31, 2005

MIDDLESEX POWER DISTRIBUTION CORPORATION

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| Notes to the Financial Statements | 4 – 14 |

MIDDLESEX POWER DISTRIBUTION CORPORATION
Balance Sheet
December 31, 2005

| ASSETS | 2005 |
|--|----------------------|
| Current | |
| Cash | \$ 3,632,119 |
| Accounts receivable (note 3) | 928,286 |
| Accounts receivable – unbilled revenue | 1,680,041 |
| Inventories | 285,165 |
| Prepaid expenses | 55,919 |
| | 6,581,530 |
| CAPITAL ASSETS (Note 4) | 6,220,913 |
| OTHER | |
| Deferred assets (Note 5) | 117,092 |
| Computer software | 2,676 |
| | 119,768 |
| | \$ 12,922,211 |
| LIABILITIES | |
| CURRENT | |
| Accounts payable and accrued liabilities | \$ 3,944,441 |
| Taxes payable | - |
| Due to affiliated companies | 554,990 |
| Current portion of customers' deposits | 106,262 |
| | 4,605,693 |
| LONG TERM | |
| Note payable (Note 6) | 4,300,000 |
| Regulatory revenue payable | 321,300 |
| Employee future benefits (Note 7) | 37,293 |
| Long-term portion of customer deposits | 337,674 |
| | 4,996,267 |
| | 9,601,960 |
| SHAREHOLDERS' EQUITY | |
| Share capital (Note 11) | 4,631,198 |
| Retained earnings (deficit) | (1,310,947) |
| | 3,320,251 |
| | \$ 12,922,211 |

MIDDLESEX POWER DISTRIBUTION CORPORATION
Statement of Earnings and Retained Earnings
For the six months ended December 31, 2005

| | <u>2005</u> |
|--|-----------------------|
| SERVICE REVENUE | |
| Residential | \$ 2,907,804 |
| General service | 3,632,567 |
| Street lighting | 68,068 |
| | <u>6,608,439</u> |
| Change in unbilled revenue | 8,985 |
| | <u>6,617,424</u> |
| Retailer energy sales | 1,826,025 |
| Total energy sales | <u>8,443,449</u> |
| COST OF POWER | <u>7,400,668</u> |
| GROSS MARGIN ON SERVICE REVENUE | <u>1,042,781</u> |
| OTHER OPERATING REVENUE | <u>234,670</u> |
| OPERATING INCOME | <u>1,277,451</u> |
| OPERATING AND MAINTENANCE EXPENSE | |
| Distribution | 407,755 |
| ADMINISTRATIVE EXPENSE | |
| Billing and collection | 290,778 |
| General administration | 79,844 |
| Interest | 162,465 |
| DEPRECIATION AND AMORTIZATION | <u>209,380</u> |
| | <u>1,150,222</u> |
| EARNINGS , BEFORE PAYMENTS IN LIEU OF TAXES | <u>127,229</u> |
| Payments in lieu of taxes (Note 14) | - |
| NET EARNINGS | <u>127,229</u> |
| DEFICIT, BEGINNING OF PERIOD | (1,438,176) |
| DIVIDENDS PAID | - |
| RETAINED EARNINGS (DEFICIT), END OF PERIOD | <u>\$ (1,310,947)</u> |

MIDDLESEX POWER DISTRIBUTION CORPORATION
Statement of Cash Flow
For the six months ended December 31, 2005

| | <u>2005</u> |
|---|---------------------|
| OPERATING ACTIVITIES | |
| Net earnings (loss) | \$ 127,229 |
| Adjustments for: | |
| Depreciation of capital assets | 238,429 |
| Depreciation computer software | 651 |
| Amortization of contributed capital | (14,113) |
| Employee future benefits | (169,454) |
| Non-cash working capital items (Note 12) | 1,334,938 |
| Long term customer deposits | 93,147 |
| | <u>1,610,827</u> |
| INVESTING ACTIVITIES | |
| Additions to deferred assets | (428,738) |
| Recovery of deferred assets | 270,583 |
| Additions to capital assets | (172,750) |
| | <u>(330,905)</u> |
| FINANCING ACTIVITIES | |
| Dividends | - |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 1,279,922 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | 2,352,197 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | <u>\$ 3,632,119</u> |

1. NATURE OF OPERATIONS

(a) Incorporation of Middlesex Power Distribution Corporation

Middlesex Power Distribution Corporation ("the Company") was incorporated April 11, 2000 under the *Business Corporations Act (Ontario)*.

The Company is a wholly owned subsidiary of Chatham-Kent Energy Inc., which purchased 100% of the outstanding shares on June 30, 2005.

The principal activity of the Company is to distribute electricity to customers within the Township of Strathroy-Caradoc and the Municipality of North Middlesex, under the license issued by the Ontario Energy Board ("OEB").

The incorporation and subsequent reorganization was required by provisions of Bill 35, *The Energy Competition Act, 1998* enacted by the Province of Ontario to introduce competition in the electricity market.

(b) Rate Regulated Entity

OEB

The Company is a regulated electricity Local Distribution Company (LDC) and has a distribution licence that is regulated by the OEB. The OEB has regulatory oversight of electricity matters in Ontario. *The Ontario Energy Board Act, 1998* sets out the OEB's authority to issue a distribution licence which must be obtained by owners or operators of a distribution system in Ontario. The OEB prescribes licence requirements and conditions including, among other things, specified accounting records, regulatory accounting principles and filing process requirements for rate-setting purposes.

The OEB's authority and responsibilities include the power to approve and fix rates for the transmission and distribution of electricity, the power to provide continued rate protection for rural and remote electricity customers and the responsibility of ensuring the electricity distribution companies fulfill obligations to connect and service customers.

The Company is required to charge its customers for the following amounts (all of which, other than the distribution rates, represent a pass through of amounts payable to third parties):

- Electricity Price – The electricity price represents the commodity cost of electricity.
- Distribution Rate – The distribution rate is designed to recover the costs incurred by the Company in delivering electricity to customers and the OEB allowed rate of return.
- Retail Transmission Rate – The retail transmission rate represents the wholesale costs incurred by Company in respect of the transmission of electricity from generating stations to the local areas.
- Wholesale Market Service Charge – The wholesale market service charge represents the various wholesale market support costs.

1. NATURE OF OPERATIONS (continued)

In order to operate in the Ontario electrical industry all market participants, including the Company, are required to satisfy and maintain prudential requirements with the Independent Electricity System Operator ("IESO"), which include credit support with respect to outstanding market obligations in the form of obtaining a credit rating, letters of credit, cash deposits or guarantees from third parties with prescribed credit ratings.

Market Based Rate of Return

The OEB regulates the rates of the Company in a cost-of-service regime. A part of the cost-of-service rate setting is the market based rate of return which the OEB has approved the maximum rate to be 9.88%. The Company elected to apply for the maximum rate of return in the initial rate setting process in 2001.

The initial rate setting process of 2001 required a three year phase-in of the rate change to minimize the impacts to the customers. The final implementation of the rates occurred in April 2005 for \$280,000 however the Company is required to invest the same amount of funds in Conservation and Demand Management programs between May 2005 and September 2007.

The next rate rebasing is scheduled for May 2006 which will update the market based rate of return as well as set rates on the 2004 rate base.

Regulatory Assets and Liabilities

Electricity distributors are required to reflect certain prescribed costs on their balance sheet until the manner and timing of distribution is determined by the OEB. These costs are:

- transmission costs resulting from preparation to Open Access;
- settlement variances between amounts charged by the Company to customers (based on regulated rates) and corresponding cost of non-competitive electricity service incurred by it in the wholesale market administered by the IESO after May 1, 2002;
- the deferral of OEB annual cost assessments for the OEB's fiscal year 2004 and subsequent fiscal years; and
- the deferral of incremental Ontario Municipal Employees Retirement System pension expenditures for fiscal years starting after January 1, 2005.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies as set forth in the Accounting Procedures Handbook issued by the OEB under the authority of the *Ontario Energy Board Act, 1998*:

Regulation

The company is regulated by the OEB and any power rate adjustments require OEB approval

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are valued at the lower of cost and replacement cost with cost being determined using the weighted average method.

Capital Assets

Capital assets are recorded at cost. Depreciation is calculated on a straight-line basis over the useful life as follows:

| | |
|---------------------------------------|---------------|
| Buildings and fixtures | 25 – 50 years |
| Distribution station equipment | 30 years |
| Distribution lines | 25 years |
| Distribution transformers | 25 years |
| Distribution meters | 25 years |
| General office equipment | 10 years |
| Computer equipment | 5 years |
| Rolling stock | 4 – 8 years |
| Tools | 10 years |
| System supervisory equipment | 15 years |
| Automated mapping facility management | 15 years |
| Services | 25 years |

Computer Software

Computer Software is stated at cost less accumulated depreciation. It is depreciated over 5 years on a straight-line basis.

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

Asset retirement obligations

The Company recognizes the liability for an asset retirement that results from the acquisition, construction, development or normal operations. The liability for an asset retirement is initially recorded at its fair value in the year in which it is incurred and when a reasonable estimate of fair value can be made. The corresponding cost is capitalized as part of the related asset and is amortized over the asset's useful life. In subsequent years the liability is adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original estimate of the undiscounted cash flows. The accretion of the liability to its fair value as a result of the passage of time is charged to earnings.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred assets

Deferred assets consist of qualifying capital costs and related expenditures incurred in the preparation for market opening. Deferred assets also include costs for conservation programs which meet the Minister of Energy's Directive. Recovery of the deferred assets is regulated by the OEB.

Contributions in aid of construction

Contributions in aid of construction consist of third party contributions toward the cost of constructing Company assets. For the period ended December 31, 2005, we refunded overpayments of \$25,366 of contributed capital that had been charged to capital assets and recorded as an offset to capital assets. Amortization is on a straight-line basis over 25 years.

Revenue recognition and cost of power

Service revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used. Any discrepancies in the revenue collected and associated cost of power related to distribution are charged to deferred assets.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period, actual result could differ from those estimates.

Post employment benefits other than pension

The Company provides its current and retired employees with life insurance and medical benefits beyond those provided by government-sponsored plans. The cost of these benefits is expensed as earned through employment service.

Payment in lieu of income taxes

Under the *Electricity Act, 1998*, the Corporation is required to make payments-in-lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFC). These payments are recorded in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporation Tax Act* (Ontario) and modified by the *Electricity Act, 1998*, and related regulations.

The Corporation, regulated by the Ontario Energy Board, provides for payments-in-lieu of corporate income taxes using the taxes payable method instead of the liability method.

MIDDLESEX POWER DISTRIBUTION CORPORATION
Notes to the Financial Statements
December 31, 2005

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Future income taxes are expected to be reflected in future rates and, accordingly, are not recognized in the financial information. Payment in lieu of taxes is henceforth referred to as income taxes.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with the bank.

3. ACCOUNTS RECEIVABLE

| | <u>2005</u> |
|---------------------------------|--------------------|
| Electrical energy | \$ 599,740 |
| Other | 391,657 |
| | <u>991,397</u> |
| Allowance for doubtful accounts | <u>(63,111)</u> |
| | <u>\$ 928,286</u> |

MIDDLESEX POWER DISTRIBUTION CORPORATION
Notes to the Financial Statements
December 31, 2005

4. CAPITAL ASSETS

| | | | 2005 |
|--------------------------------|---------------|-------------------------------------|---------------------------|
| | Cost | Accumulated Depreciation | Net Book Value |
| Plant and distribution system: | | | |
| Land | \$ 11,982 | | \$ 11,982 |
| Buildings and fixtures | 91,365 | (23,359) | 68,006 |
| Substation | 575,068 | (488,914) | 86,154 |
| Poles | 2,397,089 | (2,121,859) | 275,230 |
| Distribution system: | | | |
| Overhead | 3,374,950 | (543,050) | 2,831,900 |
| Underground conduit | 1,663,191 | (350,795) | 1,312,396 |
| Underground | 1,144,559 | (1,040,393) | 104,166 |
| Transformers | 2,715,133 | (1,410,104) | 1,305,029 |
| Meters | 1,012,017 | (518,412) | 493,605 |
| General office equipment | 82,963 | (76,282) | 6,681 |
| Stores equipment | 35,460 | (33,582) | 1,878 |
| Computer equipment | 35,917 | (26,669) | 9,248 |
| Rolling stock | 623,604 | (579,759) | 43,845 |
| Tools | 302,300 | (268,909) | 33,391 |
| Communication equipment | 5,872 | (3,449) | 2,423 |
| Measure & test equipment | 8,719 | (4,359) | 4,360 |
| Services | 299,326 | (37,934) | 261,392 |
| | 14,379,515 | (7,527,829) | 6,851,686 |
| Contributed capital | (742,099) | 111,326 | (630,773) |
| | \$ 13,637,416 | \$ (7,416,503) | \$ 6,220,913 |

Depreciation and amortization in the amount of \$15,587 for rolling stock and computer software is included with relevant cost centres.

MIDDLESEX POWER DISTRIBUTION CORPORATION
Notes to the Financial Statements
December 31, 2005

5. DEFERRED ASSETS

Deferred assets and liabilities arise as a result of the rate-making process. As described in this note, Middlesex Power Distribution Corporation has recorded the following regulatory assets and provision.

| | <u>2005</u> |
|--|-------------------|
| Transition costs | \$ 199,769 |
| Retail settlement variance accounts | 343,517 |
| Conservation and demand management costs | 122,937 |
| Other deferred costs | 129,474 |
| Gross deferred assets | <u>795,697</u> |
| Recoveries | |
| Transition / RSVA | (469,850) |
| Conservation and demand management | (208,755) |
| Provision | - |
| Net Deferred Assets | <u>\$ 117,092</u> |

The introduction of Bill 210 in November 2002 has deferred future rate increases until 2006. However Bill 4 was introduced in December 2003 which allowed for the recovery of deferred assets over a four year period beginning in April 2004. Deferred asset revenue for 2005 was \$270,583.

6. NOTE PAYABLE

The note payable is due to Chatham-Kent Energy Inc. with no set repayment terms and interest payable monthly at 7.25 %. Interest expense for the six month period amounted to \$157,156.

MIDDLESEX POWER DISTRIBUTION CORPORATION
Notes to the Financial Statements
December 31, 2005

7. EMPLOYEE FUTURE BENEFITS

The company pays certain medical and life insurance benefits on behalf of its current employees. The accrued benefit liability at December 31, 2005 of \$37,293.

Information about the Company's defined benefit plan is as follows:

| | <u>2005</u> |
|---|------------------|
| Accrued benefit liability, beginning of period | \$ 206,747 |
| Expense for the period | 6,299 |
| Adjustment due to fewer employees | <u>(175,753)</u> |
| Estimated accrued benefit liability as at December 31, 2005 | <u>\$ 37,293</u> |

The main actuarial assumptions employed for the valuation are as follows:

General inflation

Future inflation levels, as measured by changes in the Consumers Price Index ("CPI"), were assumed to be 2.5% in 2005 and thereafter.

Interest (discount) rate

The present value as at December 31, 2005 of the future benefits, and the expense for the six months ended December 31, 2005, was determined using a discount rate of 5.75%. This corresponds to the assumed CPI rate plus an assumed rate of return of 2.5%.

Health costs

Health costs were assumed to increase at 10% per year for 10 years, and then at the CPI rate plus 1% thereafter.

Dental costs

Dental costs were assumed to increase at the CPI rate plus 1% for 2004 and thereafter.

Salary Growth Rate

Salary growth rate was assumed to increase at a rate of 3.5% for 2005 and thereafter.

8. PENSION AGREEMENT

The Company provides a pension plan for its employees through the Ontario Municipal Employees' Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund") and provides pensions for employees of Ontario municipalities, local boards, public utilities, and school boards. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. As there is insufficient information to apply defined benefit plan accounting, defined contribution plan accounting has been used by the Company. The Company's contribution for employees' current service in 2005 was \$16,461.

9. RELATED PARTY TRANSACTIONS

Chatham-Kent Utility Services Inc. provided the following services in the normal course of operations to the Company:

| | <u>2005</u> |
|--|------------------|
| Management, financial, regulatory and customer support | <u>\$ 97,890</u> |

10. CONTINGENCY

- (a) 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 states 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 Company, and as such no potential liability has been recognized.

- (b) Letter of Credit in the amount of \$1,500,000 is issued to the Independent Electricity System Operator (IESO) as security to purchase electricity on behalf of their customers. There are no covenants restricting the operations of the Company.

MIDDLESEX POWER DISTRIBUTION CORPORATION
Notes to the Financial Statements
December 31, 2005

11. SHARE 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

12. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash working capital items

| | <u>2005</u> |
|--|---------------------|
| Accounts receivable | \$ 345,240 |
| Accounts receivable – unbilled revenue | 38,916 |
| Inventories | 18,320 |
| Prepaid expenses | 30,891 |
| Due to Municipality of Chatham-Kent | 56,152 |
| Accounts payable and accrued liabilities | 376,319 |
| Tax payable | - |
| Due to Chatham-Kent Energy Inc. | 26,798 |
| Due to Chatham-Kent Utility Services Inc. | 16,087 |
| Due to Chatham-Kent Hydro Inc. | 455,953 |
| Increase in current portion of customer deposits | (29,738) |
| | <u>\$ 1,334,938</u> |

13. FINANCIAL INSTRUMENTS

Fair value

The Company's recognized financial instruments consist of cash, accounts receivable, accounts payable, customer deposits and long-term debt. The values of cash, accounts receivable and accounts payable approximate their carrying amounts due to the short-term nature. As there is no secondary market for customer deposits, the calculation of a fair value with appropriate reliability is impractical.

It is not practical within the constraint of cost to determine the fair value of long-term liabilities with sufficient reliability.

Credit risk

The Company is exposed to credit risk from its customers. However, the Company has a large number of diverse customers minimizing concentration of credit risk.

14. FUTURE INCOME TAXES

If the liability method of accounting for income taxes were used, a future tax asset of \$ _____, (2004 - \$ _____) would be recorded.

15. COMMITMENTS

The Company has entered into Service Level agreements with Chatham-Kent Utility Services Inc. to have them provide the services of certain management, human resources, financial, regulatory and customer support, rate submission support and accounting and budgeting support. The value for 6 months in 2005 is \$97,890.

The Company has entered into a joint Customer Agreement, along with Chatham-Kent Utility Services Inc., for the services of a third party related to operations of a data collection system, data storage and access to specific software and systems. Monthly payments of \$6,000 are to be paid jointly by the Company and Chatham-Kent Utility Services Inc. until June 15, 2007. Annual joint payments are \$72,000.

The Company entered into an agreement with an unrelated party to perform meter reading and associated services on behalf of the Company for a period of three years beginning January 2003. The cost of this service to the company was \$41,657.91. It is expected that the contract will be renewed for an additional two years.

16. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current classification.

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Attachment 24

**2005 Tax Returns
January 1, 2005 to June 30, 2005**



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

2004/
2005

CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2002

Corporations Tax Act - Ministry of Finance (MOF)

Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

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

The Annual Return (common page 1 and MCBS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the Corporations Information Act for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide) ☒ Yes ☐ No **Page 1 of 20**

| | | | | | |
|---|--|---------------------------------|--|--|--|
| Corporation's Legal Name (including punctuation) Middlesex Power Distribution Corporation | | | | Ontario Corporations Tax Account No. (MOF) 1800268 | |
| Mailing address 351 Frances Street City: Strathroy Province: ON Country: CA Postal code: N7G 2C7 | | | | This Return covers the Taxation Year Start: 2005/01/01 End: 2005/06/30 | |
| Has the mailing address changed since last filed CT23 Return? <input type="checkbox"/> Yes <input type="checkbox"/> No Date of change: year month day | | | | Date of Incorporation or Amalgamation 2000/04/11 | |
| Registered/Head Office Address 351 Frances Street City: Strathroy Province: ON Country: CA Postal code: N7G 2C7 | | | | Ontario Corporation No. (MCBS) 1800268 | |
| Location of Books and Records 351 Frances Street City: Strathroy Province: ON Country: CA Postal code: N7G 2C7 | | | | Canada Customs and Revenue Agency Business No. 865701835R0001 | |
| Name of person to contact regarding this CT23 Return Thomas Enright | | Telephone No. (519) 245-2010 | | Fax No. (519) 245-5384 | |
| Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MCBS) City: Province: Country: Postal code: | | | | Jurisdiction Incorporated Ontario | |
| Former Corporation Name (Extra-Provincial Corporations only) <input type="checkbox"/> Not Applicable (MCBS) | | | | If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced: Ceased: <input checked="" type="checkbox"/> Not Applicable | |
| Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). No. of Schedule(s): 0 | | | | Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French français | |
| If there is no change to the Directors/Officers/Administrators' information previously submitted to MCBS, please check <input checked="" type="checkbox"/> this box. Schedule(s) A and K are not required (MCBS). <input checked="" type="checkbox"/> No Change | | | | Ministry Use | |
| Certification (MCBS) | | | | | |
| I certify that all information set out in the Annual Return is true, correct and complete. | | | | | |
| Name of Authorized Person Thomas Enright | | | | | |
| Title: <input type="checkbox"/> Director <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other Individual having knowledge of the Corporation's business activities | | | | | |
| Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions. | | | | | |



Corporation's Legal Name

 Ontario
Corporations Tax
Account No. (MOF)

This EFF Declaration must be filed for each taxation year that the corporation is exempt from filing and must be filed within 6 months after the corporation's taxation year end.

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 more shares owned by Canadian residents as defined by the *Income Tax Act* (Canada));
- e) has 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).
- f) 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).

Note 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*.

Note 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

- 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.

- 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.

The following 3 items **MUST** be completed for EFF declarations only. In cases where the Annual Return, which includes page 1, is also being filed, completion of these fields is not required.

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)
3. Canada Customs and Revenue Agency Business No.

I, _____ declare that:

The above corporation meets **all** of the exempt from filing criteria (a) through (f) above for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Signature

Title/Relationship to Corporation

Telephone number

Date

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return. To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

 Yes No
☒ ☐

- (a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year.
(nearest whole percentage)
Indicate Share Capital with full voting 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 corporations during the taxation year.

 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 Credit (CETC), Graduate Transitions Tax Credit (GTTC) or Apprenticeship Training Tax Credit (ATTC).

☒ ☐

- (f) The corporation's Ontario allocation factor is 100%.

Note: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are not subject to the Corporate Minimum Tax, may also use the CT23 Short-Form Corporations Tax Return if the corporation checks "Yes" to a), b), c), e) and f) above.

CT23 Corporations Tax Return

CT23 Page 3 of 20

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

- ☒ 1 ☒ Canadian-controlled private (CCPC) all year
(Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
- 2 ☐ Other Private
- 3 ☐ Public
- 4 ☐ Non-share Capital
- 5 ☐ Other (specify)
- Share Capital with full voting rights owned by Canadian Residents. (nearest %) 100 %

- ☒ 1 ☐ Family Farm Corporation s.1(2)
- 2 ☐ Family Fishing Corporation s.1(2)
- 3 ☐ Mortgage Investment Corp s.47
- 4 ☐ Credit Union s.51
- 5 ☐ Bank Mortgage Subsidiary s.61(4)
- 6 ☐ Bank s.1(2)
- 7 ☐ Loan and Trust Corporation s.61(4)
- 8 ☐ Non-resident Corp s.2(2)(a) or (b)
- 9 ☐ Non-resident Corporation s.2(2)(c)
- 10 ☐ Mutual Fund Corporation s.48
- 11 ☐ Non-resident owned investment Corporation s.49
- 12 ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 14 ☐ Bare Trustee Corporation
- 15 ☐ Branch of Non-resident s.63(1)
- 16 ☐ Financial institution prescribed by Regulation only
- 17 ☐ Investment Dealer
- 18 ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 19 ☒ Hydro successor, Municipal Electrical Utility or subsidiary of either
- 20 ☐ Producer and seller of steam for uses other than for the generation of electricity
- 21 ☐ Insurance Exchange s.74.4
- 22 ☐ Farm Feeder Finance Co-operative Corporation
- 23 ☐ Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office No.)

Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity
Distribution of electricity

Please check (✓) box(es) if applicable:

- ☐ First Year of Filing
- ☐ Final Taxation Year up to Dissolution (wind-up)
(Note: For discontinued businesses, see Guide.)
- ☐ Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- ☐ Amended Return
- ☐ Final Taxation Year before Amalgamation
- ☐ Acquisition of Control fed s.249(4)
- ☐ Taxation Year End has changed - Canada Customs and Revenue Agency approval required
- ☐ Floating Fiscal Year End
- Date control was acquired: 2005/06/30

| | | |
|---|---|--|
| Was the corporation inactive throughout the taxation year? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Are you requesting a refund due to: the Carry-back of a Loss? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| an Overpayment? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| a Specified Refundable Tax Credit? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Are you a Member of a Partnership or a Joint Venture? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

Income Tax**CT23 Page 4 of 20**

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± | 28,268 |
| Subtract: Charitable donations | 1 - | |
| Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2) | 2 - | |
| Subtract: Taxable dividends deductible, per federal Schedule 3 | 3 - | |
| Subtract: Ontario political contributions (Attach schedule 2A) (Int.B. 3002R) | 4 - | |
| Subtract: Federal Part VI.1 tax | 5 - | X 3 |
| Subtract: Prior years' losses applied - Non-capital losses | From 704 | |
| | From 715 | inclusion |
| Net capital losses (page 16) | X rate | 50.000000 % = 714 |
| Farm losses | From 724- | |
| Restricted farm losses | From 734- | |
| Limited partnership losses | From 754- | |
| Taxable income (Non-capital loss) | 10 | 28,268 |
| Addition to taxable income for unused foreign tax deduction for federal purposes | 11 | |
| Adjusted taxable income 10 + 11 (if 10 is negative, enter 11) | 20 | 28,268 |

| | | |
|---|--|------------|
| Taxable Income | Number of days in Taxation Year | |
| | Days after Dec. 31, 2002 and before Jan. 1, 2004 | Total Days |
| From 10 (or 20) 28,268 X 30 | 33 | 73 |
| Ontario Allocation | Days after Dec. 31, 2003 | Total Days |
| From 10 (or 20) 28,268 X 30 | 34 | 73 |
| Ontario Allocation | | |
| Income Tax Payable (before deduction of tax credits) 29 + 32 | 40 | 3,958 |

Incentive Deduction for Small Business Corporations (IDSBC)(s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year? (✓) ☒ Yes ☐ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))

| | | |
|--|------|--------|
| Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) | 51 + | 28,268 |
| 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 - | |
| | = | 28,268 |
| | 54 | 28,268 |

Federal Business limit (line 410 of the T2 return) for the year before application of fed.s.125(5.1)

Ontario Business Limit Calculation

| | | | | |
|--|------|---------|--------|----------------|
| Days after Dec. 31, 2002 and before Jan. 1, 2004 | | | | |
| 320,000 X 31 | + ** | 365 | = + 46 | |
| Days after Dec. 31, 2003 | | | | |
| 400,000 X 34 | 181 | + ** | 365 | = + 47 |
| | | | | 198,356 |
| Business limit for Ontario purposes 46 + 47 | = 44 | 198,356 | X 48 | 25.0000 % = 45 |

Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated

| | | | | |
|--------------------------------------|-----------------------|-----------------------|------|--------|
| Income eligible for the IDSBC | From 30 | 28,268 | 60 = | 28,268 |
| | ***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: Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

Income Tax *continued from Page 4***Number of Days In Taxation Year**Days after Dec. 31, 2002
and before Jan. 1, 2004

Total Days

| | | | | |
|------------------------------|------------|------------------|-----------------------|--------|
| Calculation of IDSBC Rate | 7.0 % X 31 | + 73 | Total Days 181 = 89 + | |
| | 8.5 % X 34 | 181 + 73 | Total Days 181 = 90 + | 8.5000 |
| IDSBC Rate for Taxation Year | 89 + 90 | | 78 = | 8.5000 |
| Claim | From 60 | 28,268 X From 78 | 8.5000 % | 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.

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

* **Taxable Income of the corporation** From 10 (or 20 if applicable) 80 + 57,005

If you are a member of an associated group (✓) 81 (Yes)

Taxable income of associated corporations (Attach schedule) 82 + 44,123

Aggregate Taxable Income 85 = 101,128

Number of days In Taxation YearDays after Dec. 31, 2002
and before Jan. 1, 2004

Total Days

320,000 X 31 + 73 Total Days 181 = 115+

400,000 X 34 181 + 73 Total Days 181 = 116+ 400,000

115 + 116 = 400,000 ▶

114 - 400,000

(If negative, enter nil)

86 =

Number of Days In Taxation Year

Days after Dec. 31, 2002

Total Days

Calculation of Specified Rate for Surtax 4.667% X 38 181 + 73 181 = 97 + 4.6670

From 86 X From 97 4.6670 % = 87 =

From 87 X From 60 28,268 + From 114 400,000 88 =

Surtax: Lesser of 70 or 88

100

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

continued on Page 6

Income Tax continued from Page 5

CT23 Page 6 of 20

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

110 [REDACTED]

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 [REDACTED]
 Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From 56 - 28,268

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 + From 30 100.0000 % + From 78 8.5000 % = 121
 *Ontario Allocation

Lesser of 56 or 121

122 +

120 - 56 + 122

130 =

Taxable income

From 10 + 28,268

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)

From 56 - 28,268

Add: Adjustments for Surtax on Canadian-controlled private corporations

From 122 +

Subtract: Taxable income 10 X Allocation % to jurisdictions outside Canada

140 [REDACTED]

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses

141 [REDACTED]

10 - 56 + 122 - 140 - 141

142 [REDACTED]

Claim**Number of Days in Taxation Year**

Days after Dec. 31, 2002
and before Jan. 1, 2004

Total Days

143 X From 30 100.0000 % X 1.5% X 33 + 73 181 = 154 +
 Lesser of 130 or 142 *Ontario Allocation

Days after Dec. 31, 2003

Total Days

143 X From 30 100.0000 % X 2.0% X 34 181 + 73 181 = 156 +
 Lesser of 130 or 142 *Ontario Allocation

M&P claim for taxation year 154 + 156

160 [REDACTED]

*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 [REDACTED]

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

162 [REDACTED]

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R) (Attach schedule) 170 [REDACTED]

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 [REDACTED]

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180

190 [REDACTED]

1,555

continued on Page 7

Income Tax *continued from Page 6***Specified Tax Credits** *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to scientific research and experimental development in Ontario.

Eligible Credit from 5620 OITC Claim Form *(Attach original Claim Form)* 191

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.

Eligible Credit from 5798 CT23 Schedule 113 *(Attach Schedule 113)* 192

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. 204 Name of Production

Eligible Credit from 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* 193

Graduate Transitions Tax Credit (GTTC) (s.43.6)

Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194 No. of Graduates From 6598

Eligible Credit from 6598 CT23 Schedule 115 *(Attach Schedule 115)* 195

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit from 6900 OBPTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* 196

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit from 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* 197

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit from 7100 OBRITC Claim Form *(Attach original Claim Form)* 198

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit from 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* 199

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit from 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* 200

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit from 7500 OSRTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* 201

Apprenticeship Training Tax Credit (ATTC) (s.43.13)

Applies to employment of eligible apprentices. 202 No. of Apprentices From 5896

Eligible Credit from 5898 CT23 Schedule 114 *(Attach Schedule 114)* 203

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 220

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)

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| | | | |
|--|-------|------------|------------------|
| Total Assets of the corporation | 240 + | 11,188,235 | |
| Total Revenue of the corporation | | | 241 + 14,640,285 |
| <i>The above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.</i> | | | |
| <i>If you are a member of an associated group (✓) 242 <input checked="" type="checkbox"/> (Yes)</i> | | | |
| 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 | 16,174,253 | |
| Aggregate Total Revenue | | | 250 14,718,967 |

Determination of Applicability

Applies if either Total Assets 249 exceeds \$5,000,000 **or** Total Revenue 250 exceeds \$10,000,000.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101**.

Calculation: CMT (Attach Schedule 101.)

| | | | | | | |
|---|------|-------------------------|---------|----------|--------------------|-------|
| Gross CMT Payable - CMT Base From Schedule 101 | 2136 | X | 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 | | | | | From 190 - | 1,555 |
| Net CMT Payable (if negative, 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 280 is greater than or equal to zero, transfer 230 to Page 17 and transfer 280 to Page 17, and to Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.

| | | | |
|--------------------------------|-------------------|--|-----------|
| CMT Credit Carryover available | From Schedule 101 | | From 2333 |
|--------------------------------|-------------------|--|-----------|

Application of CMT Credit Carryovers

| | | | | |
|----|--|------------|------------|-------|
| A. | Income Tax (before deduction of specified credits) | | From 190 + | 1,555 |
| | Gross CMT Payable | From 276 + | | |
| | Subtract: Foreign Tax Credit for CMT purposes | From 277 - | | |
| | If 276 - 277 is negative, enter NIL in 290 | = | | |
| | Income Tax eligible for CMT Credit | | 290 - | |
| | | | 300 | 1,555 |
| B. | Income Tax (after deduction of specified credits) | | From 230 + | 1,555 |
| | Subtract: CMT credit used to reduce income taxes | | 310 | |
| | Income Tax | | 320 | 1,555 |

Transfer to Page 17

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2333.

If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2333.

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

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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 the Gross Revenue and Total Assets as calculated on page 10 in 480 and 430 are both \$3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. 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. 3017R).

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

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

Paid-up Capital

| | | |
|---|-------|-------------|
| Paid-up capital stock (Int.B. 3012R and 3015R) | 350 + | 4,631,198 |
| Retained earnings (if deficit, deduct) (Int.B. 3012R) | 351 ± | (1,497,474) |
| Capital and other surpluses, excluding appraisal surplus (Int.B. 3012R) | 352 + | |
| Loans and advances (Attach schedule)(Int.B. 3013R) | 353 + | |
| Bank loans (Int.B. 3013R) | 354 + | 235,059 |
| Bankers acceptances (Int.B. 3013R) | 355 + | |
| Bonds and debentures payable (Int.B. 3013R) | 356 + | |
| Mortgages payable (Int.B. 3013R) | 357 + | |
| Lien notes payable (Int.B. 3013R) | 358 + | 3,136,300 |
| 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. 3013R) | 359 + | |
| Contingent, investment, inventory and similar reserves (Int.B. 3012R) | 360 + | |
| Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R) | 361 + | |
| Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017R) | 362 + | |
| Subtotal | 370 = | 6,505,083 |
| Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R) | 371 - | (1,350,393) |
| Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R) | 372 - | |
| Total Paid-up Capital | 380 = | 7,855,476 |
| 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 = | 7,855,476 |

Eligible Investments (Refer to Guide and Int.B. 3015R)

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)

| | | |
|---|-------|--|
| Mortgages due from other corporations | 402 + | |
| Shares in other corporations (certain restrictions apply) (Refer to Guide) | 403 + | |
| Loans and advances to unrelated corporations | 404 + | |
| Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide) | 405 + | |
| Share of partnership(s) or joint venture(s) eligible investments (Attach schedule) | 406 + | |
| | 407 + | |
| Total Eligible Investments | 410 | |

continued on Page 10

Capital Tax *continued from Page 9*

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Total Assets (Int.B. 3015R)

| | | |
|--|-------|-------------|
| Total Assets per balance sheet | 420 + | 11,188,235 |
| Mortgages or other liabilities deducted from assets | 421 + | |
| Share of partnership(s)/joint venture(s) total assets <i>(Attach schedule)</i> | 422 + | |
| Subtract: Investment in partnership(s)/joint venture(s) | 423 - | |
| Total Assets as adjusted | 430 = | 11,188,235 |
| Amounts in 360 and 361 (if deducted from assets) | 440 + | |
| Subtract: Amounts in 371, 372 and 381 | 441 - | (1,350,393) |
| Subtract: Appraisal surplus if booked | 442 - | |
| Add or Subtract: Other adjustments (specify on an attached schedule) | 443 ± | |
| Total Assets | 450 | 11,188,235 |

Investment Allowance (410 + 450) X 390

Not to exceed 410 460

Taxable Capital 390 - 460

470 7,259,977

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation 7,259,977

Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*

Aggregate of Gross Revenue

7,259,977 480

Total Assets (as adjusted)

From 430 11,188,235

Calculation of Capital Tax for all Corporations except Financial Institutions*Note: This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002.**Financial Institutions use calculations on page 13.*

- Important:** If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.
- OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2004/2005 CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

| duction (TCD) | | Number of Days in Taxation Year | | | |
|---------------------------------|---|---|------------|-----------------|------------------|
| | | Days before Jan. 1, 2005 | Total Days | | |
| <u>5,000,000</u> | X | <u>35</u> | + | <u>73</u> | <u>181</u> |
| | | Days after Dec. 31, 2004 and before Jan. 1, 2006 | Total Days | = 500 + | |
| <u>7,500,000</u> | X | <u>36</u> | + | <u>73</u> | <u>181</u> |
| | | Days after Dec. 31, 2005 and before Jan. 1, 2007 | Total Days | = 501 + | <u>7,500,000</u> |
| <u>10,000,000</u> | X | <u>37</u> | + | <u>73</u> | <u>181</u> |
| | | | | | = 502 + |
| Taxable Capital Deduction (TCD) | | | | 500 + 501 + 502 | 503 |

SECTION CThis section applies if the corporation is **not** a member of an associated group and/or partnership

- C1.** If 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.
- C2.** If Taxable Capital in 470 is equal to or less than the TCD in 503, enter NIL in 550 on page 12 and complete the return from that point.
- C3.** If Taxable Capital in 470 **exceeds** the TCD in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

| | | | | | |
|------------|--------------------|-----------------------|--|-----|---|
| + From 470 | | Days in taxation year | | | |
| - From 503 | | | | | |
| = 471 | x From 30 | 100,000 | x 0.3% x 555 | 181 | = 523 + |
| | Ontario Allocation | | 365 (366 if leap year) | | Transfer to 543 on page 12 |
| | | | If floating taxation year, refer to Guide. | | and complete the return from that point |

continued on Page 11

Capital Tax Calculation *continued from Page 10*

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SECTION D

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 E or Section F.

- D1.** ☒ **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 equal to or less than the TCD 503 on page 10, enter NIL in 550 on page 12 and complete the return from that point.
If Taxable Capital 470 on page 10 exceeds the TCD 503 on page 10, proceed to **Section E**, enter the TCD amount in 542 in Section E, and complete Section E and the return from that point.
- D2.** ☒ **524** (✓ if applicable) One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.
You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group may file an election under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.
The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.
In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

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

| | | |
|-------------------------------------|------------|-----------|
| Taxable Capital form 470 on page 10 | From 470 + | 7,855,476 |
|-------------------------------------|------------|-----------|

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) | 531 + | 4,997,800 |
| Aggregate Taxable Capital 470 + 531 | 540 | 12,853,276 |

If 540 above is equal to or less than the TCD 503 on page 10, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in 523 in section E on page 12, as applicable.

If 540 above is greater than the TCD 503 on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

| | | | | | | | | | |
|----------|-----------|---|----------|------------|---|----------|-----------|-----|---|
| From 470 | 7,855,476 | + | From 540 | 12,853,276 | X | From 503 | 7,500,000 | 541 | 4,588,748 |
| | | | | | | | | | Transfer to 542 in Section E on page 12 |

Ss.69(2.1) Election Filed

- ☒ **591** (✓ if applicable) Election filed. Attach a copy of Schedule 591 with this CT23 Return.
Proceed to **Section F** on page 12.

continued on Page 12

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

$$\begin{array}{rcl}
 + \text{ From } 470 & 7,855,476 \\
 - & 542 & 4,583,740 \\
 = & 471 & 3,271,736
 \end{array}
 \times \text{ From } 30 \text{ } \boxed{\text{198,000}} \% \times 0.3\% \times \frac{\text{Days in the taxation year}}{365 \text{ (366 if leap year)}} = 523 + \frac{\text{Total Capital Tax for the taxation year}}{4,867}$$

Transfer to 543 and complete the return from that point

SECTION 15

$$+ \text{ From } 470 \text{ } \underline{\hspace{2cm}} \times \text{ From } 30 \text{ } \underline{\hspace{2cm}} \times 0.3\% = 561 + \underline{\hspace{2cm}}$$

Ontario Allocation

- Capital tax deduction from **995** relating to **your corporation's** Capital Tax deduction, on Schedule 591 From **995** **562** =

$$\frac{\text{Capital Tax } 562}{\text{Days in taxation year } 555 \text{ } 181} \times \frac{= 563 +}{*365 \text{ (366 if leap year)}} \text{Transfer to 543 and complete the return from that point}$$

* If floating taxation year, refer to Guide

| | | |
|---|------------|--|
| Capital Tax before application of specified credits | 543 | |
| Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide) | 546 | |
| Capital Tax 543 - 546 (amount cannot be negative) | 550 | |

Transfer to Page 17

continued on Page 13

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, refer to the Guide under the heading "Before you start."

055 Do not use this area

Identification

Business number (BN) 001 86570 1635 RC 0001

Corporation's name

002 Middlesex Power Distribution Corporation

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ NoIf Yes, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No**Address of head office**Has the address changed since the last time we were notified? 010 ☐ Yes ☒ No

011 351 Frances Street

012

City

Province, territory, or state

015 Strathroy

016 ON

Country (other than Canada)

Postal code/Zip code

017

018 N7G 2C7

To which taxation year does this return apply?

From 060 2005/01/01 to 061 2005/06/30

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 ☒ Yes ☐ No

If Yes, give the date control was acquired 065 2005/06/30

Is the corporation a professional corporation that is a member of a partnership? 067 ☐ Yes ☒ No**Is this the first year of filing after:**Incorporation? 070 ☐ Yes ☒ NoAmalgamation? 071 ☐ Yes ☒ No

If Yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?

If Yes, complete and attach Schedule 24 072 ☐ Yes ☒ NoIs this the final taxation year before amalgamation? 076 ☐ Yes ☒ NoIs this the final return up to dissolution? 078 ☐ Yes ☒ NoIs the corporation a resident of Canada? 080 ☒ Yes ☐ No

If No, give the country of residence on line 081 and complete and attach Schedule 97. 081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 ☐ Yes ☒ No

If Yes, complete and attach Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085 ☐ 1 Exempt under paragraph 149(1)(e) or (i)
☐ 2 Exempt under paragraph 149(1)(j)
☐ 3 Exempt under paragraph 149(1)(t)
☐ 4 Exempt under other paragraphs of section 149

Do not use this area

091

092

093

094

095

096

Location of books and recordsHas the location of books and records changed since the last time we were notified? 030 ☐ Yes ☒ No

031 351 Frances Street

032

City

Province, territory, or state

035 Strathroy

036 ON

Country (other than Canada)

Postal code/Zip code

037

038 N7G 2C7

040 Type of corporation at end of taxation year1 ☒ Canadian controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043

Schedules - Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.

| | Yes | Schedule |
|---|---|----------|
| Is the corporation related to any other corporations? | 150 <input checked="" type="checkbox"/> | 9 |
| Does the corporation have any non-resident shareholders? | 151 <input type="checkbox"/> | 19 |
| Is the corporation an associated Canadian-controlled private corporation (CCPC)? | 160 <input checked="" type="checkbox"/> | 2 |
| Is the corporation an associated CCPC that is claiming the expenditure limit? | 161 <input type="checkbox"/> | 4 |
| 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 <input type="checkbox"/> | 11 |
| 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 <input type="checkbox"/> | 44 |
| Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? | 164 <input type="checkbox"/> | 14 |
| Is the corporation claiming a deduction for payments to a type of employee benefit plan? | 165 <input type="checkbox"/> | 15 |
| Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989? | 166 <input type="checkbox"/> | T5004 |
| Is the corporation a member of a partnership for which an identification number has been assigned? | 167 <input type="checkbox"/> | T5013 |
| 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 <input type="checkbox"/> | 22 |
| Did the corporation have any foreign affiliates during the year? | 169 <input type="checkbox"/> | 25 |
| Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ? | 170 <input type="checkbox"/> | 29 |
| Has the corporation had any non-arm's length transactions with a non-resident? | 171 <input type="checkbox"/> | T106 |
| Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? | 172 <input type="checkbox"/> | ---- |
| For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? | 173 <input checked="" type="checkbox"/> | 50 |
| Is the net income/loss shown on financial statements different from the net income/loss for income tax purposes? | 201 <input checked="" type="checkbox"/> | 1 |
| Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property? | 202 <input type="checkbox"/> | 2 |
| Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund? | 203 <input type="checkbox"/> | 3 |
| Is the corporation claiming any type of losses? | 204 <input checked="" type="checkbox"/> | 4 |
| Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? | 205 <input type="checkbox"/> | 5 |
| Has the corporation realized any capital gains or incurred any capital losses during the taxation year? | 206 <input checked="" type="checkbox"/> | 6 |
| i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or | | |
| ii) Is the corporation claiming the refundable portion of Part I tax? | 207 <input type="checkbox"/> | 7 |
| Does the corporation have any property that is eligible for capital cost allowance? | 208 <input checked="" type="checkbox"/> | 8 |
| Does the corporation have any property that is eligible capital property? | 210 <input checked="" type="checkbox"/> | 10 |
| Does the corporation have any resource-related deductions? | 212 <input type="checkbox"/> | 12 |
| Is the corporation claiming reserves of any kind? | 213 <input type="checkbox"/> | 13 |
| Is the corporation claiming a patronage dividend deduction? | 216 <input type="checkbox"/> | 16 |
| Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction? | 217 <input type="checkbox"/> | 17 |
| Is the corporation an investment corporation or a mutual fund corporation? | 218 <input type="checkbox"/> | 18 |
| Was the corporation carrying on business in Canada as a non-resident corporation? | 220 <input type="checkbox"/> | 20 |
| Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits? | 221 <input type="checkbox"/> | 21 |
| Is the corporation a non-resident-owned investment corporation claiming an allowable refund? | 226 <input type="checkbox"/> | 26 * |
| Does the corporation have any Canadian manufacturing and processing profits? | 227 <input type="checkbox"/> | 27 |
| Is the corporation claiming an investment tax credit? | 231 <input type="checkbox"/> | 31 |
| Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? | 232 <input type="checkbox"/> | T661 |
| Is the corporation subject to Part 1.3 tax? | 233 <input type="checkbox"/> | 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 <input type="checkbox"/> | 36 |
| Is the corporation claiming a surtax credit? | 237 <input type="checkbox"/> | 37 |
| Is the corporation subject to gross Part VI tax on capital of financial institutions? | 238 <input type="checkbox"/> | 38 |
| Is the corporation claiming a Part I tax credit? | 242 <input type="checkbox"/> | 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 <input type="checkbox"/> | 43 |
| Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? | 244 <input type="checkbox"/> | 45 |
| Is the corporation subject to Part II - Tobacco Manufacturers' surtax? | 249 <input type="checkbox"/> | 46 |
| 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 <input type="checkbox"/> | 39 |
| Is the corporation claiming a Canadian film or video production tax credit refund? | 253 <input type="checkbox"/> | T1131 |
| Is the corporation claiming a film or video production services tax credit refund? | 254 <input type="checkbox"/> | T117 |
| Is the corporation subject to Part XIII.1 tax? | 255 <input type="checkbox"/> | 92 * |

| | | | |
|--|-----|--------------------------|---------|
| Did the corporation have any foreign affiliates that are not controlled foreign affiliates? | 256 | <input type="checkbox"/> | T1134-A |
| Did the corporation have any controlled foreign affiliates? | 258 | <input type="checkbox"/> | T1134-B |
| Did the corporation own specified foreign property in the year with a cost amount over \$100,000? | 259 | <input type="checkbox"/> | T1135 |
| Did the corporation transfer or loan property to a non-resident trust? | 260 | <input type="checkbox"/> | T1141 |
| Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year? | 261 | <input type="checkbox"/> | T1142 |
| Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada? | 262 | <input type="checkbox"/> | T1145 |
| Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? | 263 | <input type="checkbox"/> | T1146 |
| Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED? | 264 | <input type="checkbox"/> | T1174 |

Additional information

| | | | |
|---|-----------------|--------------------------------------|--|
| Is the corporation inactive? | 280 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Has the major business activity changed since the last return was filed? (enter Yes for first time-filers) | 281 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| What is the corporation's major business activity? (Only complete if Yes was entered at line 281) | 282 | | |
| If the major activity involves the resale of goods, indicate whether it is wholesale or retail | 283 | 1 Wholesale <input type="checkbox"/> | 2 Retail <input type="checkbox"/> |
| Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. | 284 Electricity | 285 100.000 % | |
| | 286 | 287 % | |
| | 288 | 289 % | |
| Did the corporation immigrate to Canada during the taxation year? | 291 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Did the corporation emigrate from Canada during the taxation year? | 292 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |

Taxable income

| | | | |
|--|-----|--------|---|
| Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF1 | 300 | 28,268 | A |
| Deduct: | | | |
| Charitable donations from Schedule 2 | 311 | | |
| Gifts to Canada or a province, or a territory from Schedule 2 | 312 | | |
| Cultural gifts from Schedule 2 | 313 | | |
| Ecological gifts from Schedule 2 | 314 | | |
| Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 | 320 | | |
| Part VI.1 tax deduction from Schedule 43 * | 325 | | |
| Non-capital losses of preceding taxation years from Schedule 4 | 331 | | |
| Net capital losses of preceding taxation years from Schedule 4 | 332 | | |
| Restricted farm losses of preceding taxation years from Schedule 4 | 333 | | |
| Farm losses of preceding taxation years from Schedule 4 | 334 | | |
| Limited partnership losses of preceding taxation years from Schedule 4 | 335 | | |
| Taxable capital gains or taxable dividends allocated from a central credit union | 340 | | |
| Prospector's and grubstaker's shares | 350 | | |
| Subtotal | | | B |
| Subtotal (amount A minus amount B) (if negative, enter "0") | | 28,268 | C |
| Add: | | | |
| Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions | 355 | | D |
| Taxable income (amount C plus amount D) | 360 | 28,268 | |
| Income exempt under paragraph 149(1)(t) | 370 | | |
| Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) | | | Z |

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

| | | | | |
|---|--|-----|---------|-----------|
| Canadian-controlled private corporations (CCPCs) throughout the taxation year | | | | |
| Income from active business carried on in Canada from Schedule 7 | | 400 | 28,268 | A |
| Taxable income from line 360 on page 3, minus 10/3 of the amount on line 632* on page 7, minus 3 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax | | | | |
| | | 405 | 28,268 | B |
| Calculation of the business limit: | | | | |
| For all CCPCs, calculate the amount at line 4 below | | | | |
| \$225,000 x | Number of days in the taxation year in 2003 | | = | 1 |
| | Number of days in the taxation year | 181 | | |
| \$250,000 x | Number of days in the taxation year in 2004 | | = | 2 |
| | Number of days in the taxation year | 181 | | |
| \$300,000 x | Number of days in the taxation year after 2004 | 181 | = | 300,000 3 |
| | Number of days in the taxation year | 181 | | |
| | Add amounts at line 1, 2, and 3 | | 300,000 | 4 |
| Business limit (see notes 1 and 2 below) | | 410 | 37,192 | C |
| Notes: 1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410. | | | | |
| 2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410. | | | | |
| Business limit reduction: | | | | |
| Amount C | 37,192 | X | 415 *** | D |
| | | | 11,250 | E |
| Reduced business limit (amount C minus amount E) (if negative, enter "0") | | 425 | 37,192 | F |
| Small business deduction - 16% of whichever amount is the least: A, B, C, or F. | | 430 | 4,523 | G |
| (enter amount G of line 9 on page 7) | | | | |

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

| | | | |
|---|-------------|---|---|
| Reduced business limit (amount from line 425) | x | = | a |
| 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 | | | |
| Deduct: | | | |
| Aggregate investment income (amount from line 440 of page 6) | | | d |
| Amount c minus amount d (if negative, enter "0") | | | e |
| Amount a, b, or e above, whichever is less | | | |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | g |
| Amount QQ from Part 13 of Schedule 27 | | | h |
| Taxable resource income from line 435 on page 5 | | | i |
| Amount used to calculate the credit union deduction (amount e in Part 3 of Schedule 17) | | | j |
| Amount on line 400, 405, 410 or 425 of the small business deduction, whichever is less | | | k |
| Total of amounts g, h, i, j, and k | | | l |
| Amount f minus amount l (if negative, enter "0") | | | m |
| Accelerated tax reduction - 7% of amount m | | | |
| (enter amount n on line 637 of page 7) | | | |

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

| | | | |
|--|--|------------|---|
| Taxable resource income [as defined in subsection 125.11(1)] | | 435 | H |
| Amount H _____ x | Number of days in the taxation year in 2003 | | |
| | Number of days in the taxation year | 181 x 1% = | I |
| Amount H _____ x | Number of days in the taxation year in 2004 | | |
| | Number of days in the taxation year | 181 x 2% = | J |
| Amount H _____ x | Number of days in the taxation year in 2005 | | |
| | Number of days in the taxation year | 181 x 3% = | K |
| Amount H _____ x | Number of days in the taxation year in 2006 | | |
| | Number of days in the taxation year | 181 x 5% = | L |
| Amount H _____ x | Number of days in the taxation year after 2006 | | |
| | Number of days in the taxation year | 181 x 7% = | M |
| Resource deduction - total of amounts I, J, K, L, and M | | 438 | N |
| (enter amount N on line 10 of page 7) | | | |

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

| | | | |
|---|--|------------|---|
| Taxable income from line 360 page 3 | | 28,268 | A |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | B |
| Amount QQ from Part 13 of Schedule 27 | | | C |
| Taxable resource income from line 435 above | | | D |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | E |
| Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less | | 28,268 | F |
| Aggregate investment income from line 440 of page 6 | | | G |
| Amount used to calculate the accelerated tax reduction (amount m of page 4) | | | |
| Subtotal | | 28,268 | H |
| Amount A minus amount H (if negative, enter "0") | | | I |
| Amount I _____ x | Number of days in the taxation year in 2003 | | |
| | Number of days in the taxation year | 181 x 5% = | J |
| Amount I _____ x | Number of days in the taxation year after 2003 | | |
| | Number of days in the taxation year | 181 x 7% = | K |
| General tax reduction for Canadian-controlled private corporations - total of amounts J and K | | | L |
| (enter amount L on line 638 of page 7) | | | |

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

| | | | |
|---|--|--------|---|
| Taxable income from line 360 on page 3 | | | M |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | N |
| Amount QQ from Part 13 of Schedule 27 | | | O |
| Taxable resource income from line 435 above | | | P |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | Q |
| Total of amounts N, O, P, and Q | | | R |
| Amount M minus amount R (if negative, enter "0") | | | S |
| Amount S _____ x | Number of days in the taxation year in 2003 | | |
| | Number of days in the taxation year | x 5% = | T |
| Amount S _____ x | Number of days in the taxation year after 2003 | | |
| | Number of days in the taxation year | x 7% = | U |
| General tax reduction - total of amounts T and U | | | V |
| (enter amount V on line 639 of page 7) | | | |

| | | | |
|---|--------|--------------|---|
| Refundable portion of Part I tax | | | |
| 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 % = | B |
| (Amount O from Part 1 of Schedule 7) (if negative, enter "0") | | | |
| Amount A minus amount B (if negative, enter "0") | | | |
| C | | | |
| Taxable income from line 360 on page 3 | | | |
| | 28,268 | | |
| Deduct: | | | |
| Amount on line 400, 405, 410, or 425 on page 4, whichever is the least | | | |
| | 28,268 | | |
| Foreign non-business income tax credit from line 632 of page 7 x 25/9 = | | | |
| Foreign business income tax credit from line 636 of page 7 x 3 = | | | |
| | 28,268 | 28,268 | |
| X 26 2/3 % = | | | |
| D | | | |
| Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8) | | | |
| | 3,709 | | |
| Deduct: Corporate surtax from line 600 of page 7 | | | |
| | 317 | | |
| Net amount | | | |
| | 3,392 | 3,392 | E |
| Refundable portion of Part I tax – Amount C, D, or E, whichever is the least | | | |
| | 450 | 0 | F |

| | | | |
|---|-----|---|--|
| Refundable dividend tax on hand | | | |
| Refundable dividend tax on hand at the end of the preceding tax year | | | |
| | 460 | | |
| Deduct: Dividend refund for the previous taxation year | | | |
| | 465 | | |
| G | | | |
| 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 | | |
| H | | | |
| Refundable dividend tax on hand at the end of the taxation year - Amount G plus amount H | | | |
| | 485 | 0 | |

| | | | |
|---|--|-------|---|
| Dividend refund | | | |
| Private and subject corporations at the time taxable dividends were paid in the taxation year | | | |
| Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 | | | |
| | | X 1/3 | I |
| Refundable dividend tax on hand at the end of the taxation year from line 485 above | | | |
| | | | J |
| Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8) | | | |
| | | | 0 |

Corporate surtax calculation

| | | |
|---|--------|---|
| Base amount from line A above | 10,742 | 1 |
| Deduct: | | |
| 10% of taxable income (line 360 or amount Z, whichever applies) from page 3 | 2,827 | 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 amount a, b, or c below on line 6, whichever is the least:

| | | |
|---|-------|---|
| -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) | 3,392 | c |
| Total of lines 2 to 6 | 2,827 | 7 |
| Net amount (line 1 minus line 7) | 7,915 | 8 |

Corporate surtax - 4% of the amount on line 8 600 317 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 602 C

Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the taxation year)

| | | |
|---|--------|----|
| Aggregate investment income from line 440 on page 6 | | i |
| Taxable income from line 360 on page 3 | 28,268 | |
| Deduct: | | |
| Amount on line 400, 405, 410, or 425 of page 4, whichever is the least | 28,268 | |
| Net amount | | ii |

Refundable tax on CCPC's investment income - 6 2/3% of whichever is less: amount i or ii 604 D

Subtotal (add lines A, B, C, and D) 11,059 E

| | | |
|--|-------|-------|
| Deduct: | | |
| Small business deduction from line 430 on page 4 | 4,523 | 9 |
| Federal tax abatement | 608 | 2,827 |
| Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 | 616 | |
| Investment corporation deduction | 620 | |
| (taxed capital gains 624) | | |
| Additional deduction - credit unions from Schedule 17 | 628 | |
| Federal foreign non-business income tax credit from Schedule 21 | 632 | |
| Federal foreign business income tax credit from Schedule 21 | 636 | |
| Accelerated tax reduction from amount n of page 4 | 637 | |
| Resource deduction from line 438 of page 5 | | 10 |
| General tax reduction for CCPCs from amount L on page 5 | 638 | |
| General tax reduction from amount V on page 5 | 639 | |
| Federal logging tax credit from Schedule 21 | 640 | |
| Federal political contribution tax credit | 644 | |
| Federal political contributions | 646 | |
| Federal qualifying environmental trust tax credit | 648 | |
| Investment tax credit from Schedule 31 | 652 | |
| Subtotal | 7,350 | F |

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) 3,709 G

Summary of tax and credits**Federal tax**

| | | |
|--|-----|--------------|
| Part I tax payable from page 7 | 700 | 3,709 |
| Part I.3 tax payable from Schedule 33, 34, or 35 | 704 | |
| Part II surtax tax payable from Schedule 46 | 708 | |
| Part IV tax payable from Schedule 3 | 712 | |
| Part IV.1 tax payable from Schedule 43 | 716 | |
| Part VI tax payable from Schedule 38 | 720 | |
| Part VI.1 tax payable from Schedule 43 | 724 | |
| Part XIII.1 tax payable from Schedule 92 | 727 | |
| Part XIV tax payable from Schedule 20 | 728 | |
| Total federal tax | | 3,709 |

Add provincial and territorial tax:

Provincial or territorial jurisdiction **750 ON**
 (if more than one jurisdiction, enter "multiple" and complete Schedule 5)
 Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) **760**
 Provincial tax on large corporations (New Brunswick and Nova Scotia) **765**

Total tax payable 770 3,709 A

Deduct other credits:

| | |
|---|-----|
| Investment tax credit refund from Schedule 31 | 780 |
| Dividend refund from page 6 | 784 |
| Federal capital gains refund from Schedule 18 | 788 |
| Federal qualifying environmental trust tax credit refund | 792 |
| Canadian film or video production tax credit refund (Form T1131) | 796 |
| Film or video production services tax credit refund (Form T1177) | 797 |
| Tax withheld at source | 800 |
| Total payments on which tax has been withheld 801 | |
| Allowable refund for non-resident-owned investment corporations - Schedule 26 | 804 |
| Provincial and territorial capital gains refund from Schedule 18 | 808 |
| Provincial and territorial refundable tax credits from Schedule 5 | 812 |
| Royalties deductible under Syncrude Remission Order 815 | |
| Tax remitted under Syncrude Remission Order | 816 |
| Tax instalments paid | 840 |
| Total credits 890 | |

Refund Code **894** ☐ Overpayment ☐

Direct Deposit Request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below.

☐ Start ☐ Change information **910** Branch number
914 Institution number **918** Account number

Balance (line A minus line B) **3,709 i.**

If the result is negative, you have an overpayment.

If the result is positive, you have a balance unpaid.

Enter the amount on whichever line applies.

We do not charge or refund a difference of \$2 or less.

Balance unpaid **3,709**

Enclosed payment **898**

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance is due?

896 1 Yes ☒ 2 No ☐ NA ☐

Certification

950 Enright Surname **951** Thomas First name **954** Chairman Position, office or rank
955 2005/12/22 Date **956** (519) 245-2010 Telephone number
 Is the contact person the same as the authorized signing officer? If no, complete the information below. **957** 1 Yes ☒ 2 No ☐
958 Name **959** () Telephone number

Language of correspondence - Langue de correspondance

990 Language of choice/Langue de choix **1** English / Anglais ☒ **2** Français / French ☐



- 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 financial statements | | | A | (200,816) |
| Add: | | | | |
| Provision for income taxes - current | 101 | 39,268 | | |
| Amortization of tangible assets | 104 | 224,745 | | |
| Loss on disposal of assets | 111 | 179,826 | | |
| Total of fields 101 to 199 | 500 | 443,839 | ▶ | 443,839 |
| Deduct: | | | | |
| Capital cost allowance - Schedule 8 | 403 | 202,235 | | |
| Cumulative eligible capital deduction - Schedule 10 | 405 | 12,520 | | |
| Total of fields 401 to 499 | 510 | 214,755 | ▶ | 214,755 |
| Net income (loss) for income tax purposes (enter on line 300 of the T2 return) | | | | 28,268 |

**CORPORATION LOSS CONTINUITY AND APPLICATION
(2000 and later taxation years)**

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 – Non-capital losses**Determination of current-year non-capital loss**

| | | |
|--|-----------------------------------|--------|
| Net income (loss) for income tax purposes | | 28,268 |
| Deduct: (increase a loss) | | |
| Net capital losses deducted in the year (enter as a positive amount) | | |
| Taxable dividends deductible under sections 112, 113 or subsection 138(6) | | |
| Amount of Part VI.1 tax deductible | | |
| Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2) | | |
| | Subtotal (if positive, enter "0") | |
| Deduct: (increase a loss) | | |
| Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions | | |
| Add: (decrease a loss) | Subtotal | |
| Current-year farm loss | | |
| Current-year non-capital loss (if positive, enter "0") | | |

Continuity of non-capital losses and request for a carryback

| | |
|--|-----|
| Non-capital loss at the end of preceding taxation year | |
| Deduct: Non-capital loss expired * | 100 |
| Non-capital losses at beginning of taxation year | 102 |
| Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation | 105 |
| Current-year non-capital loss (from calculation above) | 110 |
| Deduct: | |
| Amount applied against taxable income (enter on line 331 of the T2 return) | 130 |
| Amount applied against taxable dividends subject to Part IV tax | 135 |
| Section 80 - Adjustments for forgiven amounts | 140 |
| Other adjustments | 150 |
| Deduct - Request to carry back non-capital loss to: | |
| First preceding taxation year to reduce taxable income | 901 |
| Second preceding taxation year to reduce taxable income | 902 |
| Third preceding taxation year to reduce taxable income | 903 |
| First preceding taxation year to reduce taxable dividends subject to Part IV tax | 911 |
| Second preceding taxation year to reduce taxable dividends subject to Part IV tax | 912 |
| Third preceding taxation year to reduce taxable dividends subject to Part IV tax | 913 |
| Non-capital losses - Closing balance | 180 |

* A non-capital loss expires as follows:

- After 7 taxation years if it arose in a taxation year ending before March 23, 2004; or
- After 10 taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

| | |
|---|----------------------------------|
| Paragraph 88(1.1)(f) election indicator | 190 <input type="checkbox"/> Yes |
| Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year. | |

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

| | | | |
|---|-------|----------|--------|
| Capital losses at end of preceding taxation year | 200 | | |
| Capital losses transferred on an amalgamation or the windup of a subsidiary corporation | 205 | | |
| Current-year capital loss (from Schedule 6 calculation) | 210 | 74,909 | |
| | | 74,909 | 74,909 |
| Add: | | | |
| Allowable business investment loss expired as a non-capital loss | x 4/3 | 220 | |
| | | Subtotal | 74,909 |
| Deduct: | | | |
| Amount applied against current-year capital gain (see Note 1) | 225 | | |
| Section 80 - Adjustments for forgiven amounts | 240 | | |
| Other adjustments | 250 | | |
| Deduct - Request to carry back capital loss to: (see Note 2) | | | |
| First preceding taxation year | 951 | | |
| Second preceding taxation year | 952 | | |
| Third preceding taxation year | 953 | | |
| Capital losses - Closing balance | | 280 | 74,909 |

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2

Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

| | | | |
|--|-----|-----|--|
| Farm losses at end of preceding taxation year | | | |
| Deduct: Farm loss expired after 10 taxation years | 300 | | |
| Farm losses at beginning of taxation year | 302 | | |
| Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation | 305 | | |
| Current-year farm loss | 310 | | |
| Deduct: | | | |
| Amount applied against taxable income (enter on line 334 of T2 return) | 330 | | |
| Amount applied against taxable dividends subject to Part IV tax | 335 | | |
| Section 80 - Adjustments for forgiven amounts | 340 | | |
| Other adjustments | 350 | | |
| Deduct - Request to carry back farm loss to: | | | |
| First preceding taxation year to reduce taxable income | 921 | | |
| Second preceding taxation year to reduce taxable income | 922 | | |
| Third preceding taxation year to reduce taxable income | 923 | | |
| First preceding taxation year to reduce taxable dividends subject to Part IV tax | 931 | | |
| Second preceding taxation year to reduce taxable dividends subject to Part IV tax | 932 | | |
| Third preceding taxation year to reduce taxable dividends subject to Part IV tax | 933 | | |
| Farm losses - Closing balance | | 380 | |

Part 4 -- Restricted farm losses

| | | |
|---|-------|-----|
| Current-year restricted farm loss | | |
| Total losses for the year from farming business | | 485 |
| Minus the deductible farm loss: | | A |
| \$2,500 plus B or C, whichever is less | | |
| (Amount A above - \$2,500) divided by 2 | | B |
| Maximum | 6,250 | C |
| Deductible farm loss | | |
| Current-year restricted farm loss (enter this amount on line 410) | | |

Continuity of restricted farm losses and request for a carryback

| | | |
|--|-----|-----|
| Restricted farm losses at end of preceding taxation year | | |
| Deduct: Restricted farm loss expired after 10 taxation years | 400 | |
| Restricted farm losses at beginning of taxation year | 402 | |
| Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation | 405 | |
| Current-year restricted farm loss (enter on line 233 of Schedule 1) | 410 | |
| Deduct: | | |
| Amount applied against farming income (enter on line 333 of T2 return) | 430 | |
| Section 80 - Adjustments for forgiven amounts | 440 | |
| Other adjustments | 450 | |
| Deduct - Request to carry back restricted farm loss to: | | |
| First preceding taxation year to reduce farming income | 941 | |
| Second preceding taxation year to reduce farming income | 942 | |
| Third preceding taxation year to reduce farming income | 943 | |
| Restricted farm losses - Closing balance | | 480 |
| Note | | |
| The total losses for the year from all farming businesses are calculated without including scientific research expenses. | | |

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

| | | |
|--|----------|-----|
| Listed personal property losses at end of preceding taxation year | | |
| Deduct: Listed personal property losses expired after seven taxation years | 500 | |
| Listed personal property losses at beginning of taxation year | 502 | |
| Add: Current-year listed personal property loss (from Schedule 6) | 510 | |
| | Subtotal | |
| Deduct: | | |
| Amount applied against listed personal property gain (enter on line 655 of Schedule 6) | 530 | |
| Other adjustments | 550 | |
| Deduct - Request to carry back listed personal property loss to: | | |
| First preceding taxation year to reduce listed personal property gains | 961 | |
| Second preceding taxation year to reduce listed personal property gains | 962 | |
| Third preceding taxation year to reduce listed personal property gains | 963 | |
| Listed personal property losses - Closing balance | | 580 |

Corporation loss continuity and application

Part 6 – Analysis of balance of losses by year of origin

| Year of origin | Non-capital losses * | Farm losses | Restricted farm losses | Listed personal property losses |
|----------------|----------------------|-------------|------------------------|---------------------------------|
| | | | | |
| | | | | |
| | | | | |
| 2000/09/30 | | | | |
| 2001/09/30 | | | | |
| 2001/12/31 | | | | |
| 2002/12/31 | | | | |
| 2003/12/31 | | | | |
| 2004/12/31 | | | | |
| 2005/06/30 | | | | |
| Total | | | | |

* The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 – Limited partnership losses

| Current-year limited partnership losses | | | | | | |
|---|---------------------------|--|-----------------------------------|--|---|--|
| 1 Partnership identifier | 2 Fiscal period ending | 3 Corporation's share of limited partnership loss | 4 Corporation's at risk amount | 5 Corp's share of partnership ITC, farming losses and resource expenses | 6 Column 4 - 5 If negative, enter "0" | 7 Current-year limited partnership losses Column 3 - 6 |
| 600 | 602 | 604 | 606 | 608 | | 620 |
| Total (enter this amount on line 222 of Schedule 1) | | | | | | |

| Limited partnership losses from prior taxation years that may applied in the current year | | | | | | |
|---|---------------------------|---|-----------------------------------|---|---|--|
| 1 Partnership identifier | 2 Fiscal period ending | 3 Limited partnership losses at end of preceding taxation year | 4 Corporation's at risk amount | 5 Corp's share of partnership ITC, business or property losses and resource expenses | 6 Column 4 - 5 if negative, enter "0" | 7 Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 |
| 630 | 632 | 634 | 636 | 638 | | 650 |

| Continuity of limited partnership losses that can be carried forward to future taxation years | | | | | | |
|---|--|--|--|---|--|--|
| Partnership identifier | | Losses at end of preceding taxation year | Losses transferred from amalgamation or windup of subsidiary | Current year limited partnership losses (from column 620) | Limited partnership losses applied (cannot exceed 650) | Limited partnership losses closing balance (662+664+670-675) |
| 660 | | 662 | 664 | 670 | 675 | 680 |
| | | | | | | |
| Total (enter this amount on line 335 of the T2 return) | | | | | | |

SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal *Income Tax Act*, if the control of the corporation has been acquired by a person or group of persons.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the *T2 Corporation Income Tax Guide*.

Designation under paragraph 111(4)(e) of the *Income Tax Act*

Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 Yes ☐ No ☒ If Yes, attach a statement specifying which properties are subject to such a designation.

| 1 Types of capital property | | | 2 Date of acquisition | 3 Proceeds of disposition | 4 Adjusted cost base (ACB) | 5 Outlays and expenses | 6 Gain (or loss) (3 - (4 + 5)) |
|--------------------------------|----------------------------|---------------------------|-----------------------------|---------------------------------|----------------------------------|------------------------------|--------------------------------------|
| Part 1 – Shares | | | | | | | |
| No. of shares 100 | Name of corporation 105 | Class of shares 106 | Date 110 | Proceeds 120 | ACB 130 | Outlays 140 | Gain (or loss) 150 |
| 1,400,000 | MPDC Property Inc. | A Special | 2005/03/23 | 1,400,000 | 1,400,000 | | |
| 100 | MPDC Property Inc. | Common | 2005/03/23 | 100 | 100 | | |
| Totals | | | | 1,400,100 | 1,400,100 | | A |

| Part 2 – Real estate - Do not include losses on depreciable property | | | | | | |
|---|----------------|---------------|------------------------|-------------|----------------|-----------------------|
| Municipal address 200 | | Date 210 | Proceeds 220 | ACB 230 | Outlays 240 | Gain (or loss) 250 |
| Address: Land-351 Frances Street and 218 Main Street | | 2005/03/23 | 222,600 | 297,509 | | (74,909) |
| City Strathroy-Caradoc | Province ON | Country CA | Postal code N7G 2L7 | | | |
| Address: | | | | | | |
| City | | Province | Country | Postal code | | |
| Totals | | | | 222,600 | 297,509 | B (74,909) |

| Part 3 – Bonds | | | | | | | |
|-----------------------|----------------------|-----------------------|-------------|-----------------|------------|----------------|-----------------------|
| Face value 300 | Maturity date 305 | Name of issuer 307 | Date 310 | Proceeds 320 | ACB 330 | Outlays 340 | Gain (or loss) 350 |
| | | | | | | | |
| Totals | | | | | | | C |

| Part 4 – Other properties - Do not include losses on depreciable property | | | | | |
|---|-------------|-----------------|------------|----------------|-----------------------|
| Description 400 | Date 410 | Proceeds 420 | ACB 430 | Outlays 440 | Gain (or loss) 450 |
| | | | | | |
| Totals | | | | | D |

Part 5 – Personal-use property

Note: Losses are not deductible.

Part 6 – Listed personal property

| | |
|--|-----|
| Subtract: Unapplied listed personal property losses from other years | 655 |
|--|-----|

Net gains (or losses)

Note: Net listed personal property losses may only be applied against listed personal property gains.

Part 7 – Determining allowable business investment losses

Property qualifying for and resulting in an allowable business investment loss

Note: Properties listed in part 7 should not be included in any other parts of Schedule 6

Amount G

2

50.0000

H

Enter amount H on line 406 of Schedule 1.

Part 8 – Determining capital gains or losses

Part 9 – Determining taxable capital gains and total capital losses

Capital gains or losses (amount from line 890 above)

N

(74,909)

Deduct the following gains that are included in the amount N:

Gain on donation of a share, debt obligation, or right listed on a prescribed stock exchange and other

amounts under paragraph 38(a.1) of the *Income Tax Act*

$$\times 1/2 = 895$$

Gain on donation of ecologically sensitive land

$$\times 1/2 = 896$$

Subtotal (line 895 plus line 896)

0

1

Amount N minus amount O

\overline{P}

(74,909)

Total capital losses: If amount P is a loss, enter it on line 210 of Schedule 4.

Taxable capital gains: If amount P is a **gain**, enter it on this line.

X

50.0000

Q

Enter amount Q on line 113 of Schedule 1.



CAPITAL COST ALLOWANCE

Schedule

Is the corporation electing under regulation 1101(5q)? 101 1 Yes ☐ 2 No ☒

| 1 Class | 2 UCC at start of year | 3 Cost of additions in the year | 4 Net adjustments | 5 Proceeds of dispositions in the year | 7 Adjustment for additions (1/2 x (col 3 - 5)) | 8 Base amount for CCA | 9 Rate % | 10 CCA for the year (col 8 x 9 or a lower amount) | 11 Recapture of CCA | 12 Terminal loss | 13 UCC at the end of the year |
|------------|------------------------------|--|----------------------|---|---|-----------------------------|----------------|--|---------------------------|---------------------|-------------------------------------|
| 200 | 201 | 203 | 205 | 207 | 211 | | 212 | 217 | 213 | 215 | 220 |
| 1 | 5,261,389 | 272,696 | | 1,177,400 | | 4,356,685 | 4 | 86,418 | | | 4,270,267 |
| 2 | 2,876,237 | | | | | 2,876,237 | 6 | 85,578 | | | 2,790,659 |
| 8 | 92,715 | 1,778 | | | 889 | 93,604 | 20 | 9,283 | | | 85,216 |
| 10 | 141,616 | | | 750 | | 140,866 | 30 | 20,956 | | | 119,910 |
| | | | | | | | | | | | |
| Totals | 8,371,957 | 274,474 | | 1,178,150 | 889 | 7,467,392 | | 202,235 | | | 7,266,043 |



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 100 | Country (if not Canada) 200 | Business # (Canadian corporation only) 300 | Code note 1 400 | Common shares | | Preferred shares | | Book value of capital stock 700 |
|---------------------------------------|--------------------------------------|---|-----------------------|----------------|----------------|------------------|----------------|---------------------------------------|
| | | | | # owned 500 | % owned 550 | # owned 600 | % owned 650 | |
| Middlesex Power Corporation | | 88102 2925 RC 0001 | 1 | 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 2 - Subsidiary 3 - Associated 4 - Related, but not associated

**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.

Allocation of the business limit

Date filed (for departmental use only) 025

Enter the calendar year to which the agreement applies 050 2005

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 Yes ☒ 2 No

| 1 Names of associated corporations | | 2 Business Number of associated corporations | 3 Association 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 using: ☒ % ☐ \$

| Taxation year | | 4 Business limit for the year (before allocation) \$ | Allocating business limit | | |
|---------------|------------|--|---|--|---|
| | | | 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 2005/01/01 | 2005/06/30 | 300,000 | 25.000 | 75,000 | |
| 2 2005/01/01 | 2005/12/31 | 300,000 | | | |
| 3 2005/01/01 | 2005/12/31 | 300,000 | 75.000 | 225,000 | |
| TOTALS | | | 100.000 | A 300,000 | |

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

\$ 37,192

Capital Tax continued from Page 12

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Calculation of Capital Tax for Financial Institutions

1.1. 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.

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 Days in taxation year
 Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1 Ontario Allocation + *365 = 569 +
 (366 if leap year)

570 x 571 x From 30 % x 555 Days in taxation year
 Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount Capital Tax Rate (Refer to Guide) Ontario Allocation + *365 = 574 +
 (366 if leap year)

Capital Tax for Financial Institutions - other than Credit Unions (before Section 2) 569 + 574 575

* If floating taxation year, refer to Guide.

2. 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)? (✓) ☐ Yes

Capital Tax - Financial Institutions 575 - 585 586 =
 Transfer to 543 on Page 12

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

- (1) Uninsured Benefits Arrangements 587 x 2% 588
Applies to Ontario-related uninsured benefits arrangements.
- (2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide) 589
 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 Schedule 1

600 ± 28,268
Transfer to Page 15

dd:

| | | |
|--|-------|---------|
| Federal capital cost allowance | 601 + | 202,235 |
| Federal cumulative eligible capital deduction | 602 + | 12,520 |
| Ontario taxable capital gain | 603 + | |
| Federal non-allowable reserves. Balance beginning of year | 604 + | |
| Federal allowable reserves. Balance end of year | 605 + | |
| Ontario non-allowable reserves. Balance end of year | 606 + | |
| Ontario allowable reserves. Balance beginning of year | 607 + | |
| Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) | 608 + | |
| Federal resource allowance (Refer to Guide) | 609 + | |
| Federal depletion allowance | 610 + | |
| Federal foreign exploration and development expenses | 611 + | |
| Crown charges, royalties, rentals, etc. deducted for Federal purposes (Refer to Guide) | 617 + | |
| Management fees, rents, royalties and similar payments to non-arms' length non-residents | | |

Number of Days in Taxation Year

Days after Dec. 31, 2002
and before Jan. 1, 2004 Total Days

612 X 5/12.5 X 33 + 73 181 = 633 +

Days after Dec. 31, 2003 Total Days

612 X 5/14.0 X 34 181 + 73 181 = 634 +

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

Add any negative amount in 473 from Ont. CT23 Schedule 161

Federal allowable business investment loss

Total of other items not allowed by Ontario but allowed federally (Attach schedule)

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614

| | |
|-------|---------|
| 613 | |
| 615 | |
| 616 | |
| 620 + | |
| 614 + | |
| = | 214,755 |

640 214,755

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)

Ontario cumulative eligible capital deduction

Federal taxable capital gain

Ontario non-allowable reserves. Balance beginning of year

Ontario allowable reserves. Balance end of year

Federal non-allowable reserves. Balance end of year

Federal allowable reserves. Balance beginning of year

Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE)

(Retain calculations. Do not submit.)

Ontario depletion allowance

Ontario resource allowance (Refer to Guide)

Ontario current cost adjustment (Attach schedule)

CCA on assets used to generate electricity from natural gas, alternative or renewable resources.

Subtotal of deductions for this page 650 to 659 + 661 + 675

| | |
|-------|---------|
| 650 | 202,235 |
| 651 | 12,520 |
| 652 + | |
| 653 + | |
| 654 + | |
| 655 + | |
| 656 + | |
| 657 + | |
| 658 + | |
| 659 + | |
| 661 | |
| 675 | |
| 681 | 214,755 |

Transfer to Page 15

continued on Page 15

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

continued from Page 14

Net income (loss) for federal income tax purposes, per federal Schedule 1

From 600 ± 28,268

Total of Additions on page 14

From 640 = 214,755

Sub Total of deductions on page 14

From 681 = 214,755

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

Workplace Child Care Tax Incentive (WCCT)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: 665 x 30% x 100/30 100.0000 666

Ontario Allocation

Workplace Accessibility Tax Incentive (WATI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

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 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

Ontario Allocation

Educational Technology Tax Incentive (ETTI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

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 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

= 214,755 680 214,755

Net income (loss) for Ontario Purposes 600 + 640 - 680

690 = 28,268

Transfer to Page 4

Continuity of Losses Carried Forward

CT23 Page 16 of 20

| | Non-Capital Losses (1) | Total Capital Losses | Farm Losses | Restricted Farm Losses | Listed Personal Property Losses | Limited Partnership Losses (6) |
|--|------------------------|----------------------|------------------|------------------------|---------------------------------|--------------------------------|
| Balance at Beginning of Year | 700 (2) | 710 (2) | 720 (2) | 730 | 740 | 750 |
| Add: | 701 | 711 | 721 | 731 | 741 | 751 |
| Current year's losses (7) | | 74,909 | | | | |
| Losses from predecessor corporations (3) | 702 | 712 | 722 | 732 | | 752 |
| | 703 | 713 | 723 | 733 | 743 | 753 |
| Subtotal | | 74,909 | | | | |
| Subtract: | 704 (2) | 715 (2)(4) | 724 (2) | 734 (2)(4) | 744 (4) | 754 (4) |
| Utilized during the year to reduce taxable income | 705 | | 725 | 735 | 745 | |
| Expired during the year | | | | | | |
| Carried back to prior years to reduce taxable income (5) | 706 (2) To Pg 17 | 716 (2) To Pg 17 | 726 (2) To Pg 17 | 736 (2) To Pg 17 | 746 | |
| Subtotal | 707 | 717 | 727 | 737 | 747 | 757 |
| Balance at End of Year | 709 (8) | 719 | 729 | 739 | 749 | 759 |
| | | 74,909 | | | | |

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 | Farm Losses | Restricted Farm Losses |
|------------------------------------|--------------------|--|---|-------------|------------------------|
| 800 9th preceeding taxation year | 817 (6) | 860 (6) | | 850 | 870 |
| 801 8th preceeding taxation year | 818 (6) | 861 (6) | | 851 | 871 |
| 802 7th preceeding taxation year | 819 (6) | 862 (6) | | 852 | 872 |
| 803 6th preceeding taxation year | 820 | 830 | 840 | 853 | 873 |
| 804 5th preceeding taxation year | 821 | 831 | 841 | 854 | 874 |
| 805 4th preceeding taxation year | 822 | 832 | 842 | 855 | 875 |
| 806 3rd preceeding taxation year | 823 | 833 | 843 | 856 | 876 |
| 807 2nd preceeding taxation year | 824 | 834 | 844 | 857 | 877 |
| 808 1st preceeding taxation year | 825 | 835 | 845 | 858 | 878 |
| 809 Current taxation year | 826 | 836 | 846 | 859 | 879 |
| Total | 829 | 839 | 849 | 869 | 889 |

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.
- (3) 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) Include non-capital losses incurred in taxation years ending after March 22, 2004.

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

CT23 Page 17 of 20

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:
 - 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 74,909 | 930 | 940 |
| Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income. | | | | |
| Predecessor Corporation's Account No. (MOF) | Taxation Year Ending | | | |
| i) 3rd preceding 901 | 2002/12/31 | 911 | 921 | 931 |
| ii) 2nd preceding 902 | 2003/12/31 | 912 | 922 | 932 |
| iii) 1st preceding 903 | 2004/12/31 | 913 | 923 | 933 |
| Total loss to be carried back | From 706 | From 716 | From 726 | From 736 |
| Balance of loss available for carry-forward | 919 | 929 74,909 | 939 | 949 |

Summary

| | | |
|--|-----------------------|--------------|
| Income Tax 1555 | From 230 or 320 | 1555 |
| Corporate Minimum Tax | From 280 | |
| Capital Tax 4867 | From 550 | 4867 |
| Premium Tax | From 590 | |
| Total Tax Payable | 950 | 6422 |
| Subtract: Payments | 960 | |
| Capital Gains Refund (s.48) | 965 | |
| Qualifying Environmental Trust Tax Credit | | |
| (Refer to Guide) | 985 | |
| Specified Tax Credits | | |
| (Refer to Guide) | 955 | |
| Balance | 970 = | 6,422 |
| If payment due | Enclosed * 990 | |
| If overpayment: Refund (Refer to Guide) | 975 = | |
| Apply to | 980 | |

(Includes credit interest)

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

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

| | | |
|------------------------|---------|-------------|
| Name | | |
| Thomas Enright | | |
| Title | | |
| Chairman | | |
| Full Residence Address | | |
| 351 Frances Street | | |
| City | | |
| Strathroy | | |
| Province | Country | Postal Code |
| ON | CA | N7G 2C7 |
| Signature | | Date |
| | | 2005/12/22 |

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

OS4
Schedule 4

Ontario loss continuity

Part 1 - Non-capital loss

Determination of current-year non-capital loss

| | | |
|--|-----------------------------------|--------|
| Net income (loss) for Ontario tax purposes | | 28,268 |
| Deduct: (increase a loss) | | |
| Net capital losses deducted in the year (enter a positive amount) | | |
| Taxable dividends deductible under ITA sections 112, 113 or subsection 138(6) | | |
| Amount of Part VI.1 tax deductible | | |
| | Subtotal - if positive, enter "0" | |
| Deduct: (increase a loss) | | |
| ITA Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions | | |
| Add: (decrease a loss) | Subtotal | |
| Current-year farm loss | | |
| Current-year non-capital loss (if positive, enter "0") | | |

Continuity of non-capital losses and request for a carryback

| | | |
|---|----------|---|
| Non-capital loss at end of preceding taxation year | | |
| Deduct: Non-capital loss expired | | |
| Non-capital losses at beginning of taxation year | | |
| Add: Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation | | + |
| Current-year non-capital loss (from calculation above) | | |
| Deduct - Request to carry back non-capital loss to: | | |
| First preceding taxation year to reduce taxable income | | |
| Second preceding taxation year to reduce taxable income | | |
| Third preceding taxation year to reduce taxable income | | |
| Current-year non-capital loss net of carryback | | + |
| | Subtotal | = |
| Deduct: | | |
| Amount applied against taxable income (enter on line 704 of the CT23) | | |
| Section 80 - adjustments for forgiven amounts | | |
| Other adjustments | | |
| Non-capital losses - Closing balance | | = |

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

| | | | |
|---|--------------|----------------|--------------|
| Capital losses at end of preceding taxation year | | | Gross amount |
| Capital losses transferred on an amalgamation or the windup of a subsidiary corporation | | | + |
| Current-year capital loss | | | + |
| | Subtotal | | = 74,909 |
| Add: | | | |
| Allowable business investment loss expired as a non-capital loss | X 4/3 | | + |
| | Subtotal | | = 74,909 |
| Deduct: | | | |
| Amount applied against current year capital gain | | | - |
| Section 80 adjustments for forgiven amounts | | | - |
| Other adjustments | | | - |
| | Subtotal | | = |
| Deduct - Request to carry back capital loss to: | | | |
| | Loss applied | Inclusion rate | Total |
| First preceding taxation year | + | 50.0000 % | = |
| Second preceding taxation year | + | 50.0000 % | = |
| Third preceding taxation year | + | 50.0000 % | = |
| | Subtotal | | = |
| Capital losses - Closing balance | | | = 74,909 |

OS4
Schedule 4

Ontario loss continuity

Part 3 - Farm loss

Continuity of farm losses and request for a carryback

| | | |
|--|-----------------|---------|
| Farm losses at end of preceding taxation year | _____ | _____ |
| Deduct: Farm loss expired after 10 taxation years | - | _____ |
| Farm losses at beginning of taxation year | = | _____ |
| Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation | | + _____ |
| Current-year farm loss | _____ | |
| Deduct - Request to carry back farm loss to: | | |
| First preceding taxation year to reduce taxable income | _____ | |
| Second preceding taxation year to reduce taxable income | _____ | |
| Third preceding taxation year to reduce taxable income | _____ | |
| | Subtotal | _____ |
| Current-year farm loss net of carryback | _____ | + _____ |
| | Subtotal | = _____ |
| Deduct: | | |
| Amount applied against taxable income (enter on line 724 of the CT23) | _____ | |
| Section 80 - Adjustments for forgiven amounts | _____ | |
| Other adjustments | _____ | |
| | | - _____ |
| Farm losses - Closing balance | | = _____ |

Part 4 - Restricted farm loss

Current-year restricted farm loss

| | | | |
|---|----------|-------|----------|
| Total losses for the year from farming business | _____ | | A |
| Minus the deductible farm loss: | | | |
| \$2,500 plus B or C, whichever is less | _____ | | |
| (Amount A above - \$2,500) divided by 2 | B | _____ | |
| Maximum | C | 6,250 | |
| Deductible farm loss | | - | _____ |
| Current-year restricted farm loss | | | _____ |

Continuity of restricted farm losses and request for a carryback

| | | |
|---|-------|---------|
| Restricted farm losses at end of preceding taxation year | _____ | _____ |
| Deduct: Restricted farm loss expired after 10 taxation years | - | _____ |
| Restricted farm losses at beginning of taxation year | = | _____ |
| Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation | | + _____ |
| Current-year restricted farm loss | _____ | |
| Deduct - Request to carry back restricted farm loss to: | | |
| First preceding taxation year to reduce farming income | _____ | |
| Second preceding taxation year to reduce farming income | _____ | |
| Third preceding taxation year to reduce farming income | _____ | |
| Current-year restricted farm loss net of carryback | _____ | + _____ |
| Deduct: | | |
| Amount applied against taxable income (enter on line 734 of the CT23) | _____ | |
| Section 80 - Adjustments for forgiven amounts | _____ | |
| Other adjustments | _____ | |
| | | - _____ |
| Restricted farm losses - Closing balance | | = _____ |

Ontario loss continuity

Part 5 - Listed personal property loss

Continuity of listed personal property loss and request for a carryback

| | | |
|---|-----------------|---|
| Listed personal property losses at end of preceding taxation year | | |
| Deduct: Listed personal property losses expired after seven taxation years | | |
| Listed personal property losses at beginning of taxation year | | |
| Current-year listed personal property loss | | |
| Deduct – Request to carry back listed personal property loss to: | | |
| First preceding taxation year to reduce listed personal property gains | | |
| Second preceding taxation year to reduce listed personal property gains | | |
| Third preceding taxation year to reduce listed personal property gains | | |
| Listed personal property losses net of carryback | | + |
| | Subtotal | = |
| Deduct: | | |
| Amount applied against listed personal property gain | | - |
| Other adjustments | | - |
| Limited personal property losses - Closing balance | | = |

Part 6 – Analysis of balance of losses by year of origin

| Year of origin | Non-capital losses * | Farm losses | Restricted farm losses | Listed personal property losses |
|----------------|----------------------|-------------|------------------------|---------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| 2000/09/30 | | | | |
| 2001/09/30 | | | | |
| 2001/12/31 | | | | |
| 2002/12/31 | | | | |
| 2003/12/31 | | | | |
| 2004/12/31 | | | | |
| 2005/06/30 | | | | |
| Total | | | | |

* The non-capital losses are limited to \$10,000 per year.

* The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 - Continuity of limited partnership losses

| Partnership identifier | Losses at end of preceding taxation year | Losses transferred from amalgamation or windup of subsidiary | Current-year limited partnership loss | Limited partnership losses applied | Limited partnership losses closing balance |
|---|--|--|---------------------------------------|------------------------------------|--|
| | | | | | |
| Total (enter this amount on line 754 of the CT23) | | | | | |

| | | |
|---|---|---------------------------------|
| Corporation's Legal Name Middlesex Power Distribution Corporation | Ontario Corporations Tax Account No. (MOF) 1800268 | Taxation Year End 2005/06/30 |
|---|---|---------------------------------|

- For a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- This schedule may be used to make a designation under section 34(10) of the *Corporations Tax Act* provided the corporation has made a designation under paragraph 111(4) (e) of the *Income Tax Act* (Canada), if control of the corporation has been acquired by a person or group of persons.

Part A: Designation under section 34(10) of the *Corporations Tax Act*

Complete part A if there are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e) of the *Income Tax Act* (Canada) or section 34(10) of the *Corporations Tax Act*.

| Property | Class # | Date of disposition | Proceeds of disposition | Adjusted cost base | Other adjustments | Designated amount | Gain or loss |
|----------|---------|---------------------|-------------------------|--------------------|-------------------|-------------------|--------------|
| | | | | | | | |

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the *Income Tax Act* (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction.

| Property | Class # | Corporation name of transferee/or | Date of disposition | Cost of asset in other jurisd. | Name of other jurisdiction | Allocation ratio to other jurisdictions | Ontario elected amount | Gain or loss |
|----------|---------|-----------------------------------|---------------------|--------------------------------|----------------------------|---|------------------------|--------------|
| | | | | | | | | |

| 1 Types of capital property | 2 Date of acquisition | 3 Date of disposition | 4 Proceeds of disposition | 5 Ontario adjusted cost base (ACB) | 6 Outlays and expenses | 7 Ontario gain (or loss) (4 - (5 + 6)) |
|--------------------------------|--------------------------|--------------------------|------------------------------|---------------------------------------|---------------------------|---|
|--------------------------------|--------------------------|--------------------------|------------------------------|---------------------------------------|---------------------------|---|

Part 1: Shares

| No. of shares | Name of corporation | Class of shares | 2 | 3 | 4 | 5 | 6 | 7 |
|---------------|---------------------|-----------------|------------|---|-----------|-----------|---|---|
| 1400000 | MPDC Property Inc. | A Special | 2005/03/23 | | 1,400,000 | 1,400,000 | | |
| 100 | MPDC Property Inc. | Common | 2005/03/23 | | 100 | 100 | | |
| | | | | | | | | |

| | |
|---|----|
| Totals | A |
| Before February 28, 2000 | A1 |
| After February 27, 2000 and before October 18, 2000 | A2 |
| After October 17, 2000 | A3 |

Part 2: Real estate (Do not include losses on depreciable property.)

| Municipal address | 2 | 3 | 4 | 5 | 6 | 7 |
|---|------------|---|---------|---------|---|----------|
| Address: Land-351 Frances Street and 218 Main Street | 2005/03/23 | | 222,600 | 297,509 | | (74,909) |
| City: Strathroy-Caradoc | | | | | | |
| Province Country Postal code | | | | | | |
| ON CA N7G 2L7 | | | | | | |
| Address: | | | | | | |
| City: | | | | | | |
| Province Country Postal code | | | | | | |

| | | |
|---|----------|----|
| Totals | (74,909) | B |
| Before February 28, 2000 | | B1 |
| After February 27, 2000 and before October 18, 2000 | | B2 |
| After October 17, 2000 | (74,909) | B3 |

| 1 Types of capital property | 2 Date of acquisition | 3 Date of disposition | 4 Proceeds of disposition | 5 Ontario adjusted cost base (ACB) | 6 Outlays and expenses | 7 Ontario gain (or loss) (4 - (5 + 6)) |
|--------------------------------|--------------------------|--------------------------|------------------------------|---------------------------------------|---------------------------|--|
|--------------------------------|--------------------------|--------------------------|------------------------------|---------------------------------------|---------------------------|--|

Part 3: Bonds

| Face value | Maturity date | Name of issuer | 2 | 3 | 4 | 5 | 6 | 7 |
|------------|---------------|----------------|---|---|---|---|---|---|
|------------|---------------|----------------|---|---|---|---|---|---|

| | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|----|
| Totals | | | | | | | | | C |
| Before February 28, 2000 | | | | | | | | | C1 |
| After February 27, 2000 and before October 18, 2000 | | | | | | | | | C2 |
| After October 17, 2000 | | | | | | | | | C3 |

Part 4: Other properties (Do not include losses on depreciable property)

| Description | 2 | 3 | 4 | 5 | 6 | 7 |
|-------------|---|---|---|---|---|---|
|-------------|---|---|---|---|---|---|

| | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|----|
| Totals | | | | | | | | | D |
| Before February 28, 2000 | | | | | | | | | D1 |
| After February 27, 2000 and before October 18, 2000 | | | | | | | | | D2 |
| After October 17, 2000 | | | | | | | | | D3 |

Part 5: Personal-use property

| Description of capital property | 2 | 3 | 4 | 5 | 6 | 7 |
|---------------------------------|---|---|---|---|---|---|
|---------------------------------|---|---|---|---|---|---|

Note: Losses are not deductible.

| | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|----|
| Net gain or (loss) | | | | | | | | | E |
| Before February 28, 2000 | | | | | | | | | E1 |
| After February 27, 2000 and before October 18, 2000 | | | | | | | | | E2 |
| After October 17, 2000 | | | | | | | | | E3 |

Part 6: Listed personal property

| Description | 2 | 3 | 4 | 5 | 6 | 7 |
|-------------|---|---|---|---|---|---|
|-------------|---|---|---|---|---|---|

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|---|
| Totals | | | | | | | | | |
| Deduct: Unapplied listed personal property losses from other years | | | | | | | | | |
| Net gain (or loss) | | | | | | | | | F |

Note: Net listed personal property losses may only be applied against listed personal property gains.

LPP gains or losses realized before February 28, 2000

| | | | | | | | | | |
|--|---|--|--|--|--|--|--|--|----|
| Gain or loss on dispositions before February 28, 2000 | ± | | | | | | | | |
| Less: Portion of unapplied LPP losses from the other years applicable to gain before February 28, 2000 | - | | | | | | | | |
| Net gain (loss) on dispositions before February 28, 2000 | = | | | | | | | | F1 |

LPP gains or losses realized after February 27, 2000 and before October 18, 2000

| | | | | | | | | | |
|---|---|--|--|--|--|--|--|--|----|
| Gain or loss on dispositions after February 27, 2000 and before October 18, 2000 | ± | | | | | | | | |
| Less: Portion of unapplied LPP losses from the other years applicable to gain after February 27, 2000 and before October 18, 2000 | - | | | | | | | | |
| Net gain (loss) on dispositions after February 27, 2000 and before October 18, 2000 | = | | | | | | | | F2 |

LPP gains or losses realized after October 17, 2000

| | | | | | | | | | |
|--|---|--|--|--|--|--|--|--|----|
| Gain or loss on dispositions after October 17, 2000 | ± | | | | | | | | |
| Less: Portion of unapplied LPP losses from the other years applicable to gain after October 17, 2000 | - | | | | | | | | |
| Net gain (loss) on dispositions after October 17, 2000 | = | | | | | | | | F3 |

Part 7 - Property qualifying for and resulting in an allowable business investment loss

| Name of small business corporation | Shares or debt | Date of acquisition | Date of disposition | Proceeds of disposition | Ontario adjusted cost base (ACB) | Outlays and expenses | Ontario loss |
|--|----------------|---------------------|---------------------|-------------------------|----------------------------------|----------------------|---|
| | N/A | | | | | | |
| Note: Properties listed in part 7 should not be included in any other Part of Schedule 6. | | | | | | | |
| | | | | | | | Net Loss |
| | | | | | | | Before February 28, 2000 |
| | | | | | | | After February 27, 2000 and before October 18, 2000 |
| | | | | | | | After October 17, 2000 |

G
G1
G2
G3

Determining capital gains or losses

Total of A to F (Do not include F if it is a loss)

| | | |
|--|---|------------|
| Add: Amount (if any) of capital gain reserve opening balance from Schedule 13 | + | (74,909) |
| Capital gain dividend received in the year | + | |
| Subtotal | = | (74,909) |
| Deduct: Amount (if any) of capital gain reserve closing balance from Schedule 13 | - | |
| Gain or Loss (excluding Allowable Business Investment Losses) | = | (74,909) Z |

Determining the inclusion rate

Gains or losses realized before February 28, 2000

Total of A1 to G1

| | | |
|--|---|---|
| Add: Capital gains dividend attributable to period before February 28, 2000 | + | |
| Capital gain reserve opening balance (only if taxation year commenced before February 28, 2000) | + | |
| Subtotal | = | |
| Deduct: Portion of capital gains reserve closing balance applicable to dispositions before February 28, 2000 | - | |
| Gains or Losses | = | H |

Gains or losses realized after February 27, 2000 and before October 18, 2000

Total of A2 to G2

| | | |
|---|---|---|
| Add: Capital gains dividend attributable to period after February 27, 2000 and before October 18, 2000 | + | |
| Capital gain reserve opening balance (only if taxation year commenced after February 27, 2000 and before October 18, 2000) | + | |
| Subtotal | = | |
| Deduct: Portion of capital gains reserve closing balance applicable to dispositions after February 28, 2000 and before October 18, 2000 | - | |
| Gains or Losses | = | I |

Gains or losses realized after October 17, 2000

Total of A3 to G3

| | | |
|--|---|------------|
| Add: Capital gains dividend attributable to period after October 17, 2000 | + | (74,909) |
| Capital gain reserve opening balance (only if taxation year commenced after October 17, 2000) | + | |
| Subtotal | = | (74,909) |
| Deduct: Portion of capital gains reserve closing balance applicable to dispositions after October 17, 2000 | - | |
| Gains or Losses | = | (74,909) J |

Calculate Inclusion rate

| Gains or losses | Inclusion rate | Net capital gain / capital loss |
|--|----------------|---------------------------------|
| H X | 75.000000 % | = K |
| I X | 66.666667 % | = L |
| Subtotal M X | % | = AA |
| (74,909) J X | 50.000000 % | = (37,455) N |
| (74,909) O X | 50.000667 % | = (37,455) P |
| Inclusion rate P + O (expressed as a percentage) | | 50.000000 % Q |

Note: (1) Mutual fund corporations may treat their capital gains and losses as if they were earned on an equal basis throughout the year for the purposes of determining net capital gains or losses to a particular period within the year.

(2) If either lines H or I are positive and the other is negative, enter the difference on the subtotal line M. Use the inclusion rate from which the larger amount originates and calculate the net gain or net loss based on that rate. If either line J or M are positive and the other is negative enter the difference on line O and use the inclusion rate where the higher amount originated.

Allowable business investment loss _____ X Inclusion Rate 50.000000 % Q = _____ G4
Transfer to 678 of the CT23

Determining taxable capital gains

Gain or Loss (excluding Allowable Business Investment Losses) _____ (74,909) Z

deduct: Gain on donations (made to charities other than private foundations)
securities listed on a prescribed stock exchange divided by 2

(for donations made after February 18, 1997 and before the year 2002.) x 50% - _____

Gain on donations of ecologically sensitive land after October 17, 2000 x 50% - _____

Gains or Loss _____ (74,909) R

Include 100% of the losses in box 711 of the CT23.

Taxable capital gains _____ R X Inclusion Rate 50.000000 % Q = _____ S
Transfer to 603 of the CT23

ONTARIO CAPITAL COST ALLOWANCE

| | | |
|--|---|---------------------------------|
| Corporation's Legal Name Middlesex Power Distribution Corporation | Ontario Corporations Tax Account No. (MOF) 1800268 | Taxation Year End 2005/06/30 |
|--|---|---------------------------------|

Is the corporation electing under regulation 1101(5q)? 101 1 Yes ☐ 2 No ☒

| 1 Class number | 2 Ontario undepreciated capital cost at the beginning of the year | 3 Cost of acquisitions during the year See note 1 below | 4 Net adjustments | 5 Proceeds of dispositions during the year | 6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5) | 7 50% rule See note 2 below | 8 Reduced undepreciated capital cost (col 6 - 7) | 9 CCA rate % | 10 Recapture of capital cost allowance | 11 Terminal loss | 12 Ontario capital cost allowance (col 8 x 9 or a lower amount) | 13 Ontario undepreciated capital cost at the end of the year (col 6 - 12) |
|----------------------|--|--|----------------------|---|--|---------------------------------------|--|--------------------|---|---------------------|---|--|
| 1 | 5,261,389 | 272,696 | | 1,177,400 | 4,356,685 | | 4,356,685 | 4 | | | 86,418 | 4,270,267 |
| 2 | 2,876,237 | | | | 2,876,237 | | 2,876,237 | 6 | | | 85,578 | 2,790,659 |
| 8 | 92,715 | 1,778 | | | 94,493 | 889 | 93,604 | 20 | | | 9,283 | 85,210 |
| 10 | 141,616 | | | 750 | 140,866 | | 140,866 | 30 | | | 20,956 | 119,910 |
| Totals | 8,371,957 | 274,474 | | 1,178,150 | | 889 | 7,467,392 | | | | 202,235 | 7,266,046 |

Enter in box 650 on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

| | | |
|--|---|---------------------------------|
| Corporation's Legal Name Middlesex Power Distribution Corporation | Ontario Corporations Tax Account No. (MOF) 1800268 | Taxation Year End 2005/06/30 |
|--|---|---------------------------------|

For use by a corporation that has eligible capital property.

- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

| | | | | |
|---|---|--|---------|-----------|
| Ontario Cumulative eligible capital - balance at beginning of taxation year (if negative, enter zero) | | | 360,690 | A |
| Add: Cost of eligible capital property acquired during the taxation year | + | | | B |
| 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 | | | = | 360,690 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 | + | | | G |
| 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) | + | | | H |
| Other adjustments | + | | | I |
| Total of G + H + I | = | | x 3/4= | J |
| Ontario cumulative eligible capital balance F - J | | | = | 360,690 K |

If K is negative, enter zero at line M and proceed to Part 2

| | | | |
|------------------------|-----------------|---|----------|
| Current year deduction | 360,690 K x 7%* | = | 12,520 L |
|------------------------|-----------------|---|----------|

*The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box 651 of the CT23

| | | |
|---|---|-----------|
| Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) | = | 348,170 M |
|---|---|-----------|

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may **not** exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Complete this part only if the amount at line K is negative

| | | | | |
|--|-----------|--|---|---|
| Amount 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 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 ending after February 27, 2000 | | | 7 | |
| Deduct line 7 from line 6 | | | | O |
| N - O (cannot be negative) | | | | P |
| Amount on line 5 | x 1/2 | | | Q |
| 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 | | | | |

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

| | | |
|--|---|---------------------------------|
| Corporation's Legal Name Middlesex Power Distribution Corporation | Ontario Corporations Tax Account No. (MOF) 1800268 | Taxation Year End 2005/06/30 |
|--|---|---------------------------------|

| Name of Associated Corporation (Canadian and Foreign) | Corporations Tax Number | Taxation Year End | Taxable Income (if loss, enter nil) |
|--|----------------------------|----------------------|--|
| Middlesex Power Corporation | 1800267 | 2004/12/31 | |
| Middlesex Energy Services Corporation | 1800293 | 2004/12/31 | 44,123 |
| Total | | | 44,123 |

Transfer to 85 on the CT23

Taxable Capital of Associated Corporations(Applicable to an associated group that
has a permanent establishment in Canada
Schedule CT21

| | | |
|---|--|--|
| Corporation's Legal Name Middlesex Power Distribution Corporation | Ontario Corporations Tax Account No. (MOF) 1800268 | Taxation Year End 2005/06/30 |
|---|--|--|

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 |
| Aggregate of taxable capital | | | 4,997,800 |

Transfer to 540 of the CT23



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 have 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, refer to the Guide under the heading "Before you start."

055 Do not use this area

Identification

Business number (BN) 001 86570 1635 RC 0001

Corporation's name

002 Middlesex Power Distribution Corporation

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If Yes, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office

Has the address changed since the last time we were notified? 010 ☐ Yes ☒ No

011 351 Frances Street

012 City Province, territory, or state

015 Strathroy 016 ON

Country (other than Canada) Postal code/Zip code

017 018 N7G 2C7

To which taxation year does this return apply?

From 060 2005/01/01 to 061 2005/06/30

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 ☒ Yes ☐ No

If Yes, give the date control was acquired 065 2005/06/30

Is the corporation a professional corporation that is a member of a partnership? 067 ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? 070 ☐ Yes ☒ No

Amalgamation? 071 ☐ Yes ☒ No

If Yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?

If Yes, complete and attach Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation?

076 ☐ Yes ☒ No

Is this the final return up to dissolution?

078 ☐ Yes ☒ No

Is the corporation a resident of Canada?

080 ☒ Yes ☐ No

If No, give the country of residence on line 081 and complete and attach Schedule 97. 081

Is the non-resident corporation claiming an exemption under an income tax treaty?

082 ☐ Yes ☒ No

If Yes, complete and attach Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085 1 ☐ Exempt under paragraph 149(1)(e) or (l)
2 ☐ Exempt under paragraph 149(1)(j)
3 ☐ Exempt under paragraph 149(1)(t)
4 ☐ Exempt under other paragraphs of section 149

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 ☐ Yes ☒ No

031 351 Frances Street

032 City Province, territory, or state

035 Strathroy 036 ON

Country (other than Canada) Postal code/Zip code

037 038 N7G 2C7

040 Type of corporation at end of taxation year

- 1 ☒ Canadian controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation
2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)
3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043

Do not use this area

091 092 093 094 095 096

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

* We do not print these schedules.

Schedules - Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.

| | Yes | Schedule |
|---|---|----------|
| Is the corporation related to any other corporations? | 150 <input checked="" type="checkbox"/> | 9 |
| Does the corporation have any non-resident shareholders? | 151 <input type="checkbox"/> | 19 |
| Is the corporation an associated Canadian-controlled private corporation (CCPC)? | 160 <input checked="" type="checkbox"/> | 23 |
| Is the corporation an associated CCPC that is claiming the expenditure limit? | 161 <input type="checkbox"/> | 49 |
| 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 <input type="checkbox"/> | 11 |
| 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 <input type="checkbox"/> | 44 |
| Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? | 164 <input type="checkbox"/> | 14 |
| Is the corporation claiming a deduction for payments to a type of employee benefit plan? | 165 <input type="checkbox"/> | 15 |
| Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989? | 166 <input type="checkbox"/> | T5004 |
| Is the corporation a member of a partnership for which an identification number has been assigned? | 167 <input type="checkbox"/> | T5013 |
| 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 <input type="checkbox"/> | 22 |
| Did the corporation have any foreign affiliates during the year? | 169 <input type="checkbox"/> | 25 |
| Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ? | 170 <input type="checkbox"/> | 29 |
| Has the corporation had any non-arm's length transactions with a non-resident? | 171 <input type="checkbox"/> | T106 |
| Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? | 172 <input type="checkbox"/> | ---- |
| For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? | 173 <input checked="" type="checkbox"/> | 50 |
| Is the net income/loss shown on financial statements different from the net income/loss for income tax purposes? | 201 <input checked="" type="checkbox"/> | 1 |
| Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property? | 202 <input type="checkbox"/> | 2 |
| Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund? | 203 <input type="checkbox"/> | 3 |
| Is the corporation claiming any type of losses? | 204 <input checked="" type="checkbox"/> | 4 |
| Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? | 205 <input type="checkbox"/> | 5 |
| Has the corporation realized any capital gains or incurred any capital losses during the taxation year? | 206 <input checked="" type="checkbox"/> | 6 |
| i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or | | |
| ii) Is the corporation claiming the refundable portion of Part I tax? | 207 <input type="checkbox"/> | 7 |
| Does the corporation have any property that is eligible for capital cost allowance? | 208 <input checked="" type="checkbox"/> | 8 |
| Does the corporation have any property that is eligible capital property? | 210 <input checked="" type="checkbox"/> | 10 |
| Does the corporation have any resource-related deductions? | 212 <input type="checkbox"/> | 12 |
| Is the corporation claiming reserves of any kind? | 213 <input type="checkbox"/> | 13 |
| Is the corporation claiming a patronage dividend deduction? | 216 <input type="checkbox"/> | 16 |
| Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction? | 217 <input type="checkbox"/> | 17 |
| Is the corporation an investment corporation or a mutual fund corporation? | 218 <input type="checkbox"/> | 18 |
| Was the corporation carrying on business in Canada as a non-resident corporation? | 220 <input type="checkbox"/> | 20 |
| Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits? | 221 <input type="checkbox"/> | 21 |
| Is the corporation a non-resident-owned investment corporation claiming an allowable refund? | 226 <input type="checkbox"/> | 26 * |
| Does the corporation have any Canadian manufacturing and processing profits? | 227 <input type="checkbox"/> | 27 |
| Is the corporation claiming an investment tax credit? | 231 <input type="checkbox"/> | 31 |
| Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? | 232 <input type="checkbox"/> | T661 |
| Is the corporation subject to Part 1.3 tax? | 233 <input type="checkbox"/> | 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 <input type="checkbox"/> | 36 |
| Is the corporation claiming a surtax credit? | 237 <input type="checkbox"/> | 37 |
| Is the corporation subject to gross Part VI tax on capital of financial institutions? | 238 <input type="checkbox"/> | 38 |
| Is the corporation claiming a Part I tax credit? | 242 <input type="checkbox"/> | 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 <input type="checkbox"/> | 43 |
| Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? | 244 <input type="checkbox"/> | 45 |
| Is the corporation subject to Part II - Tobacco Manufacturers' surtax? | 249 <input type="checkbox"/> | 46 |
| 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 <input type="checkbox"/> | 39 |
| Is the corporation claiming a Canadian film or video production tax credit refund? | 253 <input type="checkbox"/> | T1131 |
| Is the corporation claiming a film or video production services tax credit refund? | 254 <input type="checkbox"/> | T1177 |
| Is the corporation subject to Part XIII.1 tax? | 255 <input type="checkbox"/> | 92 * |

Attachments - Continued from page 2

Yes Schedule

| | | | |
|--|-----|--------------------------|---------|
| Did the corporation have any foreign affiliates that are not controlled foreign affiliates? | 256 | <input type="checkbox"/> | T1134-A |
| Did the corporation have any controlled foreign affiliates? | 258 | <input type="checkbox"/> | T1134-B |
| Did the corporation own specified foreign property in the year with a cost amount over \$100,000? | 259 | <input type="checkbox"/> | T1135 |
| Did the corporation transfer or loan property to a non-resident trust? | 260 | <input type="checkbox"/> | T1141 |
| Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year? | 261 | <input type="checkbox"/> | T1142 |
| Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada? | 262 | <input type="checkbox"/> | T1145 |
| Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? | 263 | <input type="checkbox"/> | T1146 |
| Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED? | 264 | <input type="checkbox"/> | T1174 |

Additional information

| | | | |
|---|-----------------|--------------------------------------|--|
| Is the corporation inactive? | 280 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Has the major business activity changed since the last return was filed? (enter Yes for first time-filers) | 281 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| What is the corporation's major business activity? (Only complete if Yes was entered at line 281) | 282 | | |
| If the major activity involves the resale of goods, indicate whether it is wholesale or retail | 283 | 1 Wholesale <input type="checkbox"/> | 2 Retail <input type="checkbox"/> |
| Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. | 284 Electricity | 285 100.000 % | |
| | 286 | 287 % | |
| | 288 | 289 % | |
| Did the corporation immigrate to Canada during the taxation year? | 291 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Did the corporation emigrate from Canada during the taxation year? | 292 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |

Taxable income

| | | | |
|--|-----|--------|---|
| Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL | 300 | 28,268 | A |
| Deduct: Charitable donations from Schedule 2 | 311 | | |
| Gifts to Canada or a province, or a territory from Schedule 2 | 312 | | |
| Cultural gifts from Schedule 2 | 313 | | |
| Ecological gifts from Schedule 2 | 314 | | |
| Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 | 320 | | |
| Part VI.1 tax deduction from Schedule 43 * | 325 | | |
| Non-capital losses of preceding taxation years from Schedule 4 | 331 | | |
| Net capital losses of preceding taxation years from Schedule 4 | 332 | | |
| Restricted farm losses of preceding taxation years from Schedule 4 | 333 | | |
| Farm losses of preceding taxation years from Schedule 4 | 334 | | |
| Limited partnership losses of preceding taxation years from Schedule 4 | 335 | | |
| Taxable capital gains or taxable dividends allocated from a central credit union | 340 | | |
| Prospector's and grubstaker's shares | 350 | | |
| Subtotal | | | B |
| Subtotal (amount A minus amount B) (if negative, enter "0") | | 28,268 | C |
| Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions | 355 | | D |
| Taxable income (amount C plus amount D) | 360 | 28,268 | |
| Income exempt under paragraph 149(1)(t) | 370 | | |
| Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) | | | Z |

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

| | | | |
|---|-----|--------|---|
| Income from active business carried on in Canada from Schedule 7 | 400 | 28,268 | A |
| Taxable income from line 360 on page 3, minus 10/3 of the amount on line 632* on page 7, minus 3 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax | 405 | 28,268 | B |

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below

| | | | | |
|--|--|-----|---------|-----------|
| \$225,000 x | Number of days in the taxation year in 2003 | = | 1 | |
| | Number of days in the taxation year | 181 | | |
| \$250,000 x | Number of days in the taxation year in 2004 | = | 2 | |
| | Number of days in the taxation year | 181 | | |
| \$300,000 x | Number of days in the taxation year after 2004 | 181 | = | 300,000 3 |
| | Number of days in the taxation year | 181 | | |
| | Add amounts at line 1, 2, and 3 | | 300,000 | 4 |
| Business limit (see notes 1 and 2 below) | | 410 | 37,192 | C |

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

| | | | | | | | |
|---|--------|---|---------|--------|---|--------|---|
| Amount C | 37,192 | X | 415 *** | D | = | | E |
| | | | | 11,250 | | | |
| Reduced business limit (amount C minus amount E) (if negative, enter "0") | 425 | | | | | 37,192 | F |
| Small business deduction - 16% of whichever amount is the least: A, B, C, or F. | 430 | | | | | 4,523 | G |

(enter amount G of line 9 on page 7)

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

| | | | | | |
|---|-------------|--|---|--|---|
| Reduced business limit (amount from line 425) | x | | = | | a |
| Net active business income (amount from line 400)* | | | | | 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 | | | | | c |
| Deduct: | | | | | |
| Aggregate investment income (amount from line 440 of page 6) | | | | | d |
| Amount c minus amount d (if negative, enter "0") | | | | | e |
| Amount a, b, or e above, whichever is less | | | | | f |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | | | g |
| Amount QQ from Part 13 of Schedule 27 | | | | | h |
| Taxable resource income from line 435 on page 5 | | | | | i |
| Amount used to calculate the credit union deduction (amount e in Part 3 of Schedule 17) | | | | | j |
| Amount on line 400, 405, 410 or 425 of the small business deduction, whichever is less | | | | | k |
| Total of amounts g, h, i, j, and k | | | | | l |
| Amount f minus amount l (if negative, enter "0") | | | | | m |
| Accelerated tax reduction - 7% of amount m | | | | | n |

(enter amount n on line 637 of page 7)

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)]

435

H

Amount H _____ x

Number of days in the taxation year in 2003

Number of days in the taxation year

181 x 1% = _____ I

Amount H _____ x

Number of days in the taxation year in 2004

Number of days in the taxation year

181 x 2% = _____ J

Amount H _____ x

Number of days in the taxation year in 2005

Number of days in the taxation year

181 x 3% = _____ K

Amount H _____ x

Number of days in the taxation year in 2006

Number of days in the taxation year

181 x 5% = _____ L

Amount H _____ x

Number of days in the taxation year after 2006

Number of days in the taxation year

181 x 7% = _____ M

Resource deduction - total of amounts I, J, K, L, and M

438

N

(enter amount N on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 page 3

28,268 A

Amount Z from Part 9 of Schedule 27

x 100 / 7 =

B

Amount QQ from Part 13 of Schedule 27

C

Taxable resource income from line 435 above

D

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)

E

Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less

28,268 F

Aggregate investment income from line 440 of page 6

G

Amount used to calculate the accelerated tax reduction (amount m of page 4)

Subtotal

28,268

28,268 H

Amount A minus amount H (if negative, enter "0")

I

Amount I _____ x

Number of days in the taxation year in 2003

Number of days in the taxation year

181 x 5% = _____ J

Amount I _____ x

Number of days in the taxation year after 2003

Number of days in the taxation year

181 x 7% = _____ K

General tax reduction for Canadian-controlled private corporations - total of amounts J and K

L

(enter amount L on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

Taxable income from line 360 on page 3

M

Amount Z from Part 9 of Schedule 27

x 100 / 7 =

N

Amount QQ from Part 13 of Schedule 27

O

Taxable resource income from line 435 above

P

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)

Q

Total of amounts N, O, P, and Q

R

Amount M minus amount R (if negative, enter "0")

S

Amount S _____ x

Number of days in the taxation year in 2003

Number of days in the taxation year

x 5% = _____ T

Amount S _____ x

Number of days in the taxation year after 2003

Number of days in the taxation year

x 7% = _____ U

General tax reduction - total of amounts T and U

V

(enter amount V on line 639 of page 7)

Refundable portion of Part I tax

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 % =

(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

28,268

Deduct:

Amount on line 400, 405, 410, or 425 on page 4,
whichever is the least

28,268

Foreign non-business income tax credit
from line 632 of page 7

x 25/9 =

Foreign business income tax credit from
line 636 of page 7

x 3 =

28,268

28,268

X 26 2/3 % =

D

Part I tax payable minus investment tax credit refund
(line 700 minus line 780 on page 8)

3,709

Deduct: Corporate surtax from line 600 of page 7

317

Net amount

3,392

3,392

E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least

450

0

F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding tax year 460

Deduct: Dividend refund for the previous taxation year 465

G

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

H

Refundable dividend tax on hand at the end of the taxation year - Amount G plus amount H

485

0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of
Schedule 3

X 1/3

I

Refundable dividend tax on hand at the end of the taxation year from line 485 above

J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8)

0

Corporate surtax calculation

| | | |
|---|--------|---|
| Base amount from line A above | 10,742 | 1 |
| Deduct: | | |
| 10% of taxable income (line 360 or amount Z, whichever applies) from page 3 | 2,827 | 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 amount a, b, or c below on line 6, whichever is the least:

| | | |
|---|-------|---|
| 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) | 3,392 | c |
| Total of lines 2 to 6 | 2,827 | 7 |
| Net amount (line 1 minus line 7) | 7,915 | 8 |

Corporate surtax - 4% of the amount on line 8 600 317 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 602 C

Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the taxation year)

| | | |
|---|--------|----|
| Aggregate investment income from line 440 on page 6 | | i |
| Taxable income from line 360 on page 3 | 28,268 | |
| Deduct: | | |
| Amount on line 400, 405, 410, or 425 of page 4, whichever is the least | 28,268 | |
| Net amount | | ii |

Refundable tax on CCPC's investment income - 6 2/3% of whichever is less: amount i or ii 604 D

Subtotal (add lines A, B, C, and D) 11,059 E

Deduct:

| | | |
|---|-------|-------|
| Small business deduction from line 430 on page 4 | 4,523 | 9 |
| Federal tax abatement | 608 | 2,827 |
| Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 | 616 | |
| Investment corporation deduction | 620 | |
| (taxed capital gains 624) | | |
| Additional deduction - credit unions from Schedule 17 | 628 | |
| Federal foreign non-business income tax credit from Schedule 21 | 632 | |
| Federal foreign business income tax credit from Schedule 21 | 636 | |
| Accelerated tax reduction from amount n of page 4 | 637 | |
| Resource deduction from line 438 of page 5 | | 10 |
| General tax reduction for CCPCs from amount L on page 5 | 638 | |
| General tax reduction from amount V on page 5 | 639 | |
| Federal logging tax credit from Schedule 21 | 640 | |
| Federal political contribution tax credit | 644 | |
| Federal political contributions | 646 | |
| Federal qualifying environmental trust tax credit | 648 | |
| Investment tax credit from Schedule 31 | 652 | |
| Subtotal | 7,350 | F |

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) 3,709 G

| | | |
|--|-----|-------|
| Part I tax payable from page 7 | 700 | 3,709 |
| Part I.3 tax payable from Schedule 33, 34, or 35 | 704 | |
| Part II surtax tax payable from Schedule 46 | 708 | |
| Part IV tax payable from Schedule 3 | 712 | |
| Part IV.1 tax payable from Schedule 43 | 716 | |
| Part VI tax payable from Schedule 38 | 720 | |
| Part VI.1 tax payable from Schedule 43 | 724 | |
| Part XIII.1 tax payable from Schedule 92 | 727 | |
| Part XIV tax payable from Schedule 20 | 728 | |

| | |
|-------------------|-------|
| Total federal tax | 3,709 |
|-------------------|-------|

Provincial or territorial jurisdiction **750 ON**
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta)
Provincial tax on large corporations (New Brunswick and Nova Scotia)

| | | |
|-----------------------|-------|---|
| Total tax payable 770 | 3,709 | A |
|-----------------------|-------|---|

| | |
|---|-----|
| Investment tax credit refund from Schedule 31 | 780 |
| Dividend refund from page 6 | 784 |
| Federal capital gains refund from Schedule 18 | 788 |
| Federal qualifying environmental trust tax credit refund | 792 |
| Canadian film or video production tax credit refund (Form T1131) | 796 |
| Film or video production services tax credit refund (Form T1177) | 797 |
| Tax withheld at source | 800 |
| Total payments on which tax has been withheld | 801 |
| Allowable refund for non-resident-owned investment corporations - Schedule 26 | 804 |
| Provincial and territorial capital gains refund from Schedule 18 | 808 |
| Provincial and territorial refundable tax credits from Schedule 5 | 812 |
| Royalties deductible under Syncrude Remission Order | 815 |
| Tax remitted under Syncrude Remission Order | 816 |
| Tax instalments paid | 840 |

| | | |
|-------------------------------|-----|-------|
| Total credits | 890 | |
| Balance (line A minus line B) | | 3.709 |

Refund Code 894 ☐ Overpayment

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below.

☐ Start ☐ Change information 910 _____
Branch number

914 _____ 918 _____
Institution number Account number

| | |
|-------------------------------|-------|
| Balance (line A minus line B) | 3.709 |
|-------------------------------|-------|

If the result is negative, you have an overpayment.

If the result is positive, you have a balance unpaid.

Enter the amount on whichever line applies.

We do not charge or refund a difference of \$2 or less.

| | |
|----------------|-------|
| Balance unpaid | 3,709 |
|----------------|-------|

| | | |
|------------------|-----|--|
| Enclosed payment | 898 | |
|------------------|-----|--|

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance is due?

896 1 Yes ☒ 2 No ☐ NA ☐

| Surname | First name | Position, office or rank |
|-------------|------------|--------------------------|
| 950 Enright | 951 Thomas | 954 Chairman |

| | | | |
|-----|------------|-----|------------------|
| 955 | 2005/12/22 | 956 | (519) 245-2010 |
| | Date | | Telephone number |

Is the contact person the same as the authorized signing officer? If no, complete the information below. 957 1 Yes ☒ 2 No ☐

958 _____ Name _____

959 () - _____ Telephone number _____

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

Canada Customs
and Revenue AgencyAgence des douanes
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.

| | | | | |
|--|-----|---------|---|-----------|
| Net income (loss) after taxes and extraordinary items per financial statements | | | A | (200,816) |
| Add: | | | | |
| Provision for income taxes - current | 101 | 39,268 | | |
| Amortization of tangible assets | 104 | 224,745 | | |
| Loss on disposal of assets | 111 | 179,826 | | |
| Total of fields 101 to 199 | 500 | 443,839 | ▶ | 443,839 |
| Deduct: | | | | |
| Capital cost allowance - Schedule 8 | 403 | 202,235 | | |
| Cumulative eligible capital deduction - Schedule 10 | 405 | 12,520 | | |
| Total of fields 401 to 499 | 510 | 214,755 | ▶ | 214,755 |
| Net income (loss) for income tax purposes (enter on line 300 of the T2 return) | | | | 28,268 |

CORPORATION LOSS CONTINUITY AND APPLICATION (2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

| | |
|--|--------|
| Net income (loss) for income tax purposes | 28,268 |
| Deduct: (increase a loss) | |
| Net capital losses deducted in the year (enter as a positive amount) | |
| Taxable dividends deductible under sections 112, 113 or subsection 138(6) | |
| Amount of Part VI.1 tax deductible | |
| Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2) | |
| Subtotal (if positive, enter "0") | |
| Deduct: (increase a loss) | |
| Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions | |
| Add: (decrease a loss) | |
| Current-year farm loss | |
| Subtotal | |
| Current-year non-capital loss (if positive, enter "0") | |

Continuity of non-capital losses and request for a carryback

| | |
|---|------------|
| Non-capital loss at the end of preceding taxation year | |
| Deduct: Non-capital loss expired * | 100 |
| Non-capital losses at beginning of taxation year | 102 |
| Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation | 105 |
| Current-year non-capital loss (from calculation above) | 110 |
| Deduct: | |
| Amount applied against taxable income (enter on line 331 of the T2 return) | 130 |
| Amount applied against taxable dividends subject to Part IV tax | 135 |
| Section 80 - Adjustments for forgiven amounts | 140 |
| Other adjustments | 150 |
| Deduct - Request to carry back non-capital loss to: | |
| First preceding taxation year to reduce taxable income | 901 |
| Second preceding taxation year to reduce taxable income | 902 |
| Third preceding taxation year to reduce taxable income | 903 |
| First preceding taxation year to reduce taxable dividends subject to Part IV tax | 911 |
| Second preceding taxation year to reduce taxable dividends subject to Part IV tax | 912 |
| Third preceding taxation year to reduce taxable dividends subject to Part IV tax | 913 |
| Non-capital losses - Closing balance | 180 |

* A non-capital loss expires as follows:

- After 7 taxation years if it arose in a taxation year ending before March 23, 2004; or
- After 10 taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

| | |
|---|----------------------------------|
| Paragraph 88(1.1)(f) election indicator | 190 <input type="checkbox"/> Yes |
| Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year. | |

Corporation loss continuity and application**Part 2 -- Capital losses****Continuity of capital losses and request for a carryback**

| | | | |
|---|-------|----------|--------|
| Capital losses at end of preceding taxation year | 200 | | |
| Capital losses transferred on an amalgamation or the windup of a subsidiary corporation | 205 | | |
| Current-year capital loss (from Schedule 6 calculation) | 210 | 74,909 | |
| | | 74,909 | 74,909 |
| Add: | | | |
| Allowable business investment loss expired as a non-capital loss | x 4/3 | 220 | |
| | | Subtotal | 74,909 |
| Deduct: | | | |
| Amount applied against current-year capital gain (see Note 1) | 225 | | |
| Section 80 - Adjustments for forgiven amounts | 240 | | |
| Other adjustments | 250 | | |
| Deduct - Request to carry back capital loss to: (see Note 2) | | | |
| First preceding taxation year | 951 | | |
| Second preceding taxation year | 952 | | |
| Third preceding taxation year | 953 | | |
| Capital losses - Closing balance | | 280 | 74,909 |

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2

Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 -- Farm losses**Continuity of farm losses and request for a carryback**

| | | | |
|--|-----|-----|--|
| Farm losses at end of preceding taxation year | | | |
| Deduct: Farm loss expired after 10 taxation years | 300 | | |
| Farm losses at beginning of taxation year | 302 | | |
| Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation | 305 | | |
| Current-year farm loss | 310 | | |
| Deduct: | | | |
| Amount applied against taxable income (enter on line 334 of T2 return) | 330 | | |
| Amount applied against taxable dividends subject to Part IV tax | 335 | | |
| Section 80 - Adjustments for forgiven amounts | 340 | | |
| Other adjustments | 350 | | |
| Deduct - Request to carry back farm loss to: | | | |
| First preceding taxation year to reduce taxable income | 921 | | |
| Second preceding taxation year to reduce taxable income | 922 | | |
| Third preceding taxation year to reduce taxable income | 923 | | |
| First preceding taxation year to reduce taxable dividends subject to Part IV tax | 931 | | |
| Second preceding taxation year to reduce taxable dividends subject to Part IV tax | 932 | | |
| Third preceding taxation year to reduce taxable dividends subject to Part IV tax | 933 | | |
| Farm losses - Closing balance | | 380 | |

Corporation loss continuity and application

Part 4 -- Restricted farm losses

| Current-year restricted farm loss | |
|---|-------|
| Total losses for the year from farming business | 485 |
| Minus the deductible farm loss: | |
| \$2,500 plus B or C, whichever is less | |
| (Amount A above - \$2,500) divided by 2 | |
| Maximum | 6,250 |
| Deductible farm loss | |
| Current-year restricted farm loss (enter this amount on line 410) | |

Continuity of restricted farm losses and request for a carryback

| | |
|--|-----|
| Restricted farm losses at end of preceding taxation year | |
| Deduct: Restricted farm loss expired after 10 taxation years | 400 |
| Restricted farm losses at beginning of taxation year | 402 |
| Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation | 405 |
| Current-year restricted farm loss (enter on line 233 of Schedule 1) | 410 |
| Deduct: | |
| Amount applied against farming income (enter on line 333 of T2 return) | 430 |
| Section 80 - Adjustments for forgiven amounts | 440 |
| Other adjustments | 450 |
| Deduct - Request to carry back restricted farm loss to: | |
| First preceding taxation year to reduce farming income | 941 |
| Second preceding taxation year to reduce farming income | 942 |
| Third preceding taxation year to reduce farming income | 943 |
| Restricted farm losses - Closing balance | 480 |
| Note | |
| The total losses for the year from all farming businesses are calculated without including scientific research expenses. | |

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

| | |
|--|-----|
| Listed personal property losses at end of preceding taxation year | |
| Deduct: Listed personal property losses expired after seven taxation years | 500 |
| Listed personal property losses at beginning of taxation year | 502 |
| Add: Current-year listed personal property loss (from Schedule 6) | 510 |
| Subtotal | |
| Deduct: | |
| Amount applied against listed personal property gain (enter on line 655 of Schedule 6) | 530 |
| Other adjustments | 550 |
| Deduct - Request to carry back listed personal property loss to: | |
| First preceding taxation year to reduce listed personal property gains | 961 |
| Second preceding taxation year to reduce listed personal property gains | 962 |
| Third preceding taxation year to reduce listed personal property gains | 963 |
| Listed personal property losses - Closing balance | 580 |

Part 6 – Analysis of balance of losses by year of origin

| Year of origin | Non-capital losses * | Farm losses | Restricted farm losses | Listed personal property losses |
|----------------|----------------------|-------------|------------------------|---------------------------------|
| | | | | |
| | | | | |
| | | | | |
| 2000/09/30 | | | | |
| 2001/09/30 | | | | |
| 2001/12/31 | | | | |
| 2002/12/31 | | | | |
| 2003/12/31 | | | | |
| 2004/12/31 | | | | |
| 2005/06/30 | | | | |
| Total | | | | |

* The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 – Limited partnership losses

| Current-year limited partnership losses | | | | | | |
|---|---------------------------|--|-----------------------------------|--|---|--|
| 1 Partnership identifier | 2 Fiscal period ending | 3 Corporation's share of limited partnership loss | 4 Corporation's at risk amount | 5 Corp's share of partnership ITC, farming losses and resource expenses | 6 Column 4 - 5 If negative, enter "0" | 7 Current-year limited partnership losses Column 3 - 6 |
| 600 | 602 | 604 | 606 | 608 | | 620 |
| Total (enter this amount on line 222 of Schedule 1) | | | | | | |

| Limited partnership losses from prior taxation years that may applied in the current year | | | | | | |
|---|---------------------------|---|-----------------------------------|---|---|--|
| 1 Partnership identifier | 2 Fiscal period ending | 3 Limited partnership losses at end of preceding taxation year | 4 Corporation's at risk amount | 5 Corp's share of partnership ITC, business or property losses and resource expenses | 6 Column 4 - 5 if negative, enter "0" | 7 Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 |
| 630 | 632 | 634 | 636 | 638 | | 650 |

| Continuity of limited partnership losses that can be carried forward to future taxation years | | | | | |
|---|--|--|---|--|--|
| Partnership identifier | Losses at end of preceding taxation year | Losses transferred from amalgamation or windup of subsidiary | Current year limited partnership losses (from column 620) | Limited partnership losses applied (cannot exceed 650) | Limited partnership losses closing balance (662+664+670-675) |
| 660 | 662 | 664 | 670 | 675 | 680 |
| Total (enter this amount on line 335 of the T2 return) | | | | | |



SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal *Income Tax Act*, if the control of the corporation has been acquired by a person or group of persons.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the *T2 Corporation Income Tax Guide*.

Designation under paragraph 111(4)(e) of the *Income Tax Act*

Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 ☐ Yes ☒ No ☐ If Yes, attach a statement specifying which properties are subject to such a designation.

| 1 Types of capital property | | | 2 Date of acquisition | 3 Proceeds of disposition | 4 Adjusted cost base (ACB) | 5 Outlays and expenses | 6 Gain (or loss) (3 - (4 + 5)) |
|--------------------------------|---------------------|-----------------|--------------------------|------------------------------|-------------------------------|---------------------------|--------------------------------------|
| Part 1 – Shares | | | | | | | |
| No. of shares | Name of corporation | Class of shares | Date | Proceeds | ACB | Outlays | Gain (or loss) |
| 100 | 105 | 106 | 110 | 120 | 130 | 140 | 150 |
| 1,400,000 | MPDC Property Inc. | A Special | 2005/03/23 | 1,400,000 | 1,400,000 | | |
| 100 | MPDC Property Inc. | Common | 2005/03/23 | 100 | 100 | | |
| | | | | | | | |
| Totals | | | | 1,400,100 | 1,400,100 | | A |

| Part 2 – Real estate - Do not include losses on depreciable property | | | | | | |
|--|---|-------------|-----------------|------------|----------------|-----------------------|
| Municipal address 200 | | Date 210 | Proceeds 220 | ACB 230 | Outlays 240 | Gain (or loss) 250 |
| Address: | Land-351 Frances Street and 218 Main Street | 2005/03/23 | 222,600 | 297,509 | | (74,909) |
| City | Province Country Postal code Strathroy-Caradoc ON CA N7G 2L7 | | | | | |
| Address: | | | | | | |
| City | Province Country Postal code | | | | | |
| Totals | | | 222,600 | 297,509 | | B (74,909) |

| Part 3 – Bonds | | | | | | | |
|-------------------|----------------------|-----------------------|-------------|-----------------|------------|----------------|-----------------------|
| Face value 300 | Maturity date 305 | Name of issuer 307 | Date 310 | Proceeds 320 | ACB 330 | Outlays 340 | Gain (or loss) 350 |
| | | | | | | | |
| Totals | | | | | | | C |

| Part 4 – Other properties - Do not include losses on depreciable property | | | | | |
|---|-------------|-----------------|------------|----------------|-----------------------|
| Description 400 | Date 410 | Proceeds 420 | ACB 430 | Outlays 440 | Gain (or loss) 450 |
| | | | | | |
| Totals | | | | | D |

SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY**Part 5 – Personal-use property**

| Description 500 | Date 510 | Proceeds 520 | ACB 530 | Outlays 540 | Gain only 550 |
|--------------------|-------------|-----------------|------------|----------------|------------------|
| | | | | | |
| Totals | | | | | E |

Note: Losses are not deductible.

Part 6 – Listed personal property

| Description 600 | Date 610 | Proceeds 620 | ACB 630 | Outlays 640 | Gain (or loss) 650 |
|--------------------|-------------|-----------------|------------|----------------|-----------------------|
| | | | | | |
| Totals | | | | | |

Subtract: Unapplied listed personal property losses from other years **655**

Amount from line 655 is from line 530 in Part 5 of Schedule 4.

Net gains (or losses)

Note: Net listed personal property losses may only be applied against listed personal property gains.

F**Part 7 – Determining allowable business investment losses****Property qualifying for and resulting in an allowable business investment loss**

| Name of small business corporation 900 | Shares or debt 905 | Date 910 | Proceeds 920 | ACB 930 | Outlays 940 | Loss 950 |
|---|-----------------------|-------------|-----------------|------------|----------------|-------------|
| | N/A | | | | | |
| Totals | | | | | | G |

Note: Properties listed in part 7 should not be included in any other parts of Schedule 6

Allowable business investment losses

Amount G

X

50.0000

H

Enter amount H on line 406 of Schedule 1.

Part 8 – Determining capital gains or losses

Total of amounts A to F (do not include F, if the amount is a loss)

dd:

I (74,909)

Capital gains dividends received in the year

875J

Capital gains reserve opening balance (from Schedule 13)

880K

Subtotal (add amounts I, J, and K)

L (74,909)

Deduct: Capital gains reserve closing balance (from Schedule 13)

885M

Capital gains or losses (amount L minus amount M)

890 (74,909)**Part 9 – Determining taxable capital gains and total capital losses**

Capital gains or losses (amount from line 890 above)

N (74,909)

Deduct the following gains that are included in the amount N:

Gain on donation of a share, debt obligation, or right

listed on a prescribed stock exchange and other

amounts under paragraph 38(a.1) of the *Income Tax Act*x 1/2 = **895**

Gain on donation of ecologically sensitive land

x 1/2 = **896**

Subtotal (line 895 plus line 896)

O

Amount N minus amount O

P (74,909)

Total capital losses: If amount P is a loss, enter it on line 210 of Schedule 4.

Taxable capital gains: If amount P is a gain, enter it on this line.

X

50.0000 =

Q

Enter amount Q on line 113 of Schedule 1.



CAPITAL COST ALLOWANCE

Schedule 8

Is the corporation electing under regulation 1101(5q)? 101 1 Yes ☐ 2 No ☒

| 1 Class 200 | 2 UCC at start of year 201 | 3 Cost of additions in the year 203 | 4 Net adjustments 205 | 5 Proceeds of dispositions in the year 207 | 7 Adjustment for additions (1/2 x (col 3 - 5)) 211 | 8 Base amount for CCA | 9 Rate % 212 | 10 CCA for the year (col 8 x 9 or a lower amount) 217 | 11 Recapture of CCA 213 | 12 Terminal loss 215 | 13 UCC at the end of the year 220 |
|-------------------|-------------------------------------|---|-----------------------------|--|--|-----------------------------|-----------------------|---|----------------------------------|----------------------------|--|
| 1 | 5,261,389 | 272,696 | | 1,177,400 | | 4,356,685 | 4 | 86,418 | | | 4,270,267 |
| 2 | 2,876,237 | | | | | 2,876,237 | 6 | 85,578 | | | 2,790,659 |
| 8 | 92,715 | 1,778 | | | 889 | 93,604 | 20 | 9,283 | | | 85,210 |
| 10 | 141,616 | | | 750 | | 140,866 | 30 | 20,956 | | | 119,910 |
| | | | | | | | | | | | |
| Totals | 8,371,957 | 274,474 | | 1,178,150 | 889 | 7,467,392 | | 202,235 | | | 7,266,046 |



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 100 | Country (if not Canada) 200 | Business # (Canadian corporation only) 300 | Code note 1 400 | Common shares | | Preferred shares | | Book value of capital stock 700 |
|---------------------------------------|--------------------------------------|---|-----------------------|----------------|----------------|------------------|----------------|---------------------------------------|
| | | | | # owned 500 | % owned 550 | # owned 600 | % owned 650 | |
| Middlesex Power Corporation | | 88102 2925 RC 0001 | 1 | 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 2 - Subsidiary 3 - Associated 4 - Related, but not associated

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.

Allocation of the business limit

Date filed (for departmental use only) 025
 Enter the calendar year to which the agreement applies 050 2005
 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 Yes ☒ 2 No

| 1 Names of associated corporations | | 2 Business Number of associated corporations | 3 Association 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 using: ☒ % ☐ \$

| Taxation year | | | 4 Business limit for the year (before allocation) \$ | | | Allocating business limit | |
|---------------|------------|------------|--|---------|-----------|---|--|
| | | | | | | 5 Percentage of the business limit (%) | 6 Business limit allocated \$ |
| Start | | | End | | | 7 Gross Part 1.3 tax for business limit reduction | |
| 1 | 2005/01/01 | 2005/06/30 | 300,000 | 25.000 | 75,000 | | |
| 2 | 2005/01/01 | 2005/12/31 | 300,000 | | | | |
| 3 | 2005/01/01 | 2005/12/31 | 300,000 | 75.000 | 225,000 | | |
| TOTALS | | | | 100.000 | A 300,000 | | |

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

\$ 37,192

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Attachment 25

**2005 Tax Returns
July 1, 2005 to December 31, 2005**



Ministry of Finance

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

2006

CT23 Corporations Tax and
Annual ReturnFor taxation years commencing
after December 31, 2003Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Return** and the Ministry of Government Services (MGS) **Annual Return**.
Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that **do not** meet the EFF criteria but **do** meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MGS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MGS Annual Return Required? (Not required if already filed or
Annual Return exempt. Refer to Guide)☒ Yes ☐ No

Page 1 of 20

Corporation's Legal Name (including punctuation)

MIDDLESEX POWER DISTRIBUTION CORPORATION

Mailing Address

320 QUEEN ST
P.O. BOX 70
CHATHAM
ON CA N7M 5K2Has the mailing address changed
since last filed CT23 Return?☒ Yes

Date of Change

year month day

Registered/Head Office Address

320 QUEEN ST
P.O. BOX 70
CHATHAM
ON CA N7M 5K2

Location of Books and Records

20 QUEEN ST
P.O. BOX 70
CHATHAM
ON CA N7M 5K2

Name of person to contact regarding this CT23 Return

Telephone No.

Fax No.

JIM HOGAN

(519) 352-6300

Address of Principal Office in Ontario (Extra-Provincial Corporations only)

(MGS)

Ontario Canada

Former Corporation Name (Extra-Provincial Corporations only)

☒ Not Applicable

(MGS)

Information on Directors/Officers/Administrators must be completed on MGS
Schedule A or K as appropriate. If additional space is required for Schedule A,
only this schedule may be photocopied. State number submitted (MGS).

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously
submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS).☒ No Change

Ontario Corporations Tax Account No. (MOF)

1800268

This Return covers the Taxation Year

Start year month day
2005-07-01End year month day
2005-12-31

Date of Incorporation or Amalgamation

year month day
2000-09-22Ontario
Corporation No.
(MGS)

1800268

Canada Revenue Agency Business No.

If applicable, enter

86570 1635 RC0001

Jurisdiction
Incorporated

Ontario

If not incorporated in Ontario, indicate the
date Ontario business activity commenced
and ceased:

Commenced year month day

Ceased year month day

☒ Not Applicable

Preferred Language / Langue de préférence

☒ English
anglais ☐ French
français

Ministry Use



Certification (MGS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

DAVE KENNEY

Title: ☐ Director ☒ Officer ☐ Other individuals having knowledge
of the Corporation's business activitiesNote: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

MIDDLESEX POWER DISTRIBUTION CORPO

1800268

2005-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) box(es) and complete required information.

Type of corporation

- 1** ☒ Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
- 2 ☐ Other Private
- 3 ☐ Public
- 4 ☐ Non-share Capital
- 5 ☐ Other (specify) ▼

Share Capital with full voting rights
owned by Canadian Residents

(nearest percent)

%

- 2** 1 ☐ Family Farm corporation s.1(2)
- 2 ☐ Family Fishing corporation s.1(2)
- 3 ☐ Mortgage Investment corporation s.47
- 4 ☐ Credit Union s.51
- 5 ☐ Bank Mortgage subsidiary s.61(4)
- 6 ☐ Bank s.1(2)
- 7 ☐ Loan and Trust corporation s.61(4)
- 8 ☐ Non-resident corporation s.2(2)(a) or (b)
- 9 ☐ Non-resident corporation s.2(2)(c)
- 10 ☐ Mutual Fund corporation s.48
- 11 ☐ Non-resident owned Investment corporation s.49
- 12 ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 14 ☐ Bare Trustee corporation
- 15 ☐ Branch of Non-resident s.63(1)
- 16 ☐ Financial institution prescribed by Regulation only
- 17 ☐ Investment Dealer
- 18 ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 19 ☒ Hydro successor, municipal electrical utility or subsidiary of either
- 20 ☐ Producer and seller of steam for uses other than for the generation of electricity
- 21 ☐ Insurance Exchange s.74.4
- 22 ☐ Farm Feeder Finance Co-operative corporation
- 23 ☐ Professional corporation (incorporated professionals only)

- ☐ This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)
- ☐ Amended Return
- ☒ Taxation year end change – Canada Revenue Agency approval required
- ☐ Final taxation year up to dissolution (Note: for discontinued businesses, see guide.)
- ☐ Final taxation year before amalgamation
- ☐ The corporation has a floating fiscal year end
- ☐ There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- ☐ There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year
- If checked, date control was acquired year month day
- ☐ The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)
- ☐ First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)
- ☐ Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes No

- ☐ ☒ Was the corporation inactive throughout the taxation year?
- ☒ ☐ Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

- ☐ ☒ the Carry-back of a Loss?
- ☐ ☒ an Overpayment?
- ☐ ☒ a Specified Refundable Tax Credit?
- ☐ ☒ Are you a member of a Partnership or Joint Venture?

Complete if applicable

Ontario Retail Sales Tax Vendor
Permit no. (Use head office no.)

Ontario Employer Health Tax
Account no. (Use head office no.)

Specify major business activity

ELECTRICITY DISTRIB

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

| | | | | | |
|--|---------------------------------------|--------|-------------|---------|---------|
| Income (loss) for Ontario purposes (per reconciliation schedule, page 15) | - - - - - | ± From | 690 | 357,111 | . |
| Subtract: Charitable donations | - - - - - | | 1 | | . |
| Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2) | - - - - - | | 2 | | . |
| Subtract: Taxable dividends deductible, per federal Schedule 3 | - - - - - | | 3 | | . |
| Subtract: Ontario political contributions (Attach Schedule 2A) (Int.B. 3002R) | - - - - - | | 4 | | . |
| Subtract: Federal Part VI.1 tax | - - - - - x 3 | | 5 | | . |
| Subtract: Prior years' losses applied – Non-capital losses | - - - - - | From | 704 | | . |
| | | From | 715 | | . |
| Net capital losses (page 16) | - - - - - x inclusion rate | | 50.000000 % | = | - 714 . |
| Farm losses | - - - - - | From | 724 | | . |
| Restricted farm losses | - - - - - | From | 734 | | . |
| Limited partnership losses | - - - - - | From | 754 | | . |
| Taxable Income (Non-capital loss) | - - - - - | = | 10 | 357,111 | . |
| Addition to taxable income for unused foreign tax deduction for federal purposes | - - - - - + 11 | | | | . |
| Adjusted Taxable Income | 10 + 11 (if 10 is negative, enter 11) | = | 20 | 357,111 | . |

Taxable Income

| | | | | | | | | | | | | | | |
|---|---------|---|----|--------------------|---|--------|---|----|-----|----|-----|--------|--------|----------|
| From 10 (or 20 if applicable) | 357,111 | x | 30 | 100.0000 % | x | 12.5 % | x | 33 | ÷ | 73 | 184 | = + 29 | . | |
| | | | | Ontario Allocation | | | | | | | | | | |
| From 10 (or 20 if applicable) | 357,111 | x | 30 | 100.0000 % | x | 14 % | x | 34 | 184 | ÷ | 73 | 184 | = + 32 | 49,996 . |
| | | | | Ontario Allocation | | | | | | | | | | |
| Income Tax Payable (before deduction of tax credits) | 29 + 32 | = | 40 | 49,996 | . | | | | | | | | | |

Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004

Total Days

33 184 ÷ 73 184 = + 29

Days after Dec. 31, 2003

Total Days

34 184 ÷ 73 184 = + 32

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

This section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X)

☐ Yes ☒ No

| | | | |
|--|-----------|----|---|
| * Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) | - - - - - | 50 | . |
| Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) | + 51 | . | |
| 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 | . | |
| | = | 54 | . |
| Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1) | - - - - - | 55 | . |

Ontario Business Limit Calculation

| | | | | | | | | | | | |
|--------------------------------------|--|-----------------------|----------|------------|------|---|--------|-----------|---|----|---|
| 320,000 x | Days after Dec. 31, 2002 and before Jan. 1, 2004 | 31 | ÷ | ** | 365 | = + 46 | . | | | | |
| 400,000 x | Days after Dec. 31, 2003 | 34 | 184 | ÷ | ** | 365 | = + 47 | 201,644 . | | | |
| Business Limit for Ontario purposes | 46 + 47 | = | 44 | 201,644 | x | Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated. | 48 | % | = | 45 | . |
| Income eligible for the IDSBC | - - - - - | From | 30 | 100.0000 % | x | 56 | = | 60 | . | | |
| | | ***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:** Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

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Income Tax *continued from Page 4*

| | | | | | |
|-----------------------------|-----------|--|---|----------------------------|----------|
| | | Number of Days in Taxation Year | | | |
| | | Days after Dec. 31, 2002 and before Jan. 1, 2004 | | Total Days | |
| Calculation of IDSBC Rate | - - - - - | 7 % | x | $\frac{31}{73} \times 184$ | = + 89 |
| | | | | Days after Dec. 31, 2003 | |
| | | | | Total Days | |
| | - - - - - | 8.5 % | x | $\frac{34}{73} \times 184$ | = + 90 |
| DSBC Rate for Taxation Year | 89 + 90 | - - - - - | | | = 78 |
| Claim | - - - - - | From 60 | x | From 78 | 8.5000 % |
| | - - - - - | | | | = 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 400,000 in 114 below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

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

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

| | | | | |
|--|--|-------------------------------|--|---------|
| Taxable Income of the corporation | - - - - - | From 10 (or 20 if applicable) | + 80 | 708,400 |
| if you are a member of an associated group (X) 81 <input checked="" type="checkbox"/> (Yes) | | | | |
| Name of associated corporation (Canadian & foreign) 'if insufficient space, attach schedule | Ontario Corporations Tax Account No. (MOF) (if applicable) | Taxation Year End | * Taxable Income (if loss, enter nil) | |
| See schedule | | | + 82 | |
| | | | + 83 | |
| | | | + 84 | |
| Aggregate Taxable Income | 80 + 82 + 83 + 84, etc. | - - - - - | = 85 | 708,400 |

| | | | | | |
|--------------------------|-----------|--|---------|------------|---------|
| | | Number of Days in Taxation Year | | | |
| | | Days after Dec. 31, 2002 and before Jan. 1, 2004 | | Total Days | |
| 320,000 | x | $\frac{31}{73} \times 184$ | = + 115 | | |
| | | Days after Dec. 31, 2003 | | Total Days | |
| 400,000 | x | $\frac{34}{73} \times 184$ | = + 116 | 400,000 | |
| | | 115 + 116 | = | 400,000 | |
| (If negative, enter nil) | - - - - - | | | - 114 | 400,000 |
| | - - - - - | | | = 86 | 308,400 |

| | | | | | |
|--|-----------|--|---|----------------------------|----------|
| | | Number of Days in Taxation Year | | | |
| | | Days after Dec. 31, 2002 | | Total Days | |
| Calculation of Specified Rate for Surtax | - - - - - | 4.6670 % | x | $\frac{38}{73} \times 184$ | = + 97 |
| | From 86 | 308,400 | x | From 97 | 4.6670 % |
| | | | | | = 87 |
| | From 87 | 14,393 | x | From 60 | 400,000 |
| | | | | | = 88 |
| Surtax Lesser of | 70 or 88 | - - - - - | | | = 100 |

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

continued on Page 6

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

110

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

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

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

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

Eligible Canadian Profits

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)

Add: Adjustment for Surtax on Canadian-controlled private corporations

$$\frac{\text{From } 100}{100} \div \frac{\text{From } 30}{100.0000\%} \div \frac{\text{From } 78}{8.5000\%} = 121$$

*Ontario Allocation

Lesser of 56 or 121 + 122

120 - 56 + 122 = 130

Taxable Income + From 10 357,111

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

Subtract: Taxable Income 10 357,111 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 = 142 357,111

Claim

| Number of Days in Taxation Year | |
|--|------------|
| Days after Dec. 31, 2002 and before Jan. 1, 2004 | Total Days |
| 33 | 184 |
| 34 | 184 |

$$143 \times \frac{\text{From } 30}{100.0000\%} \times 1.5\% \times \frac{33}{73} = 154$$

Lesser of 130 or 142 Ontario Allocation

$$143 \times \frac{\text{From } 30}{100.0000\%} \times 2\% \times \frac{34}{73} = 156$$

Lesser of 130 or 142 Ontario Allocation

M&P claim for taxation year 154 + 156 = 160

* Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity = 162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). (Attach schedule).

170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175 Credit Claimed 180

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190 49,996

continued on Page 7

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Income Tax *continued from Page 6***Specified Tax Credits** (Refer to Guide)**Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies* to scientific research and experimental development in Ontario.

Eligible Credit From 5820 OITC Claim Form (Attach original Claim Form)

+ 191

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.

Eligible Credit From 5798 CT23 Schedule 113 (Attach Schedule 113)

+ 192

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)*Applies* to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Name of Production

204

Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 193

Graduate Transitions Tax Credit (GTTC) (s.43.6)*Applies* to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.

No. of Graduates From 6596

194

Eligible Credit From 6598 CT23 Schedule 115 (Attach Schedule 115)

+ 195

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)*Applies* to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)

+ 196

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)*Applies* to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 197

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)*Applies* to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form (Attach original Claim Form)

+ 198

Ontario Production Services Tax Credit (OPSTC) (s.43.10)*Applies* to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 199

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)*Applies* to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 200

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)*Applies* to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)

+ 201

Apprenticeship Training Tax Credit (ATTC) (s.43.13)

No. of Apprentices From 5896

Applies to employment of eligible apprentices.

202

Eligible Credit From 5898 CT23 Schedule 114 (Attach Schedule 114)

+ 203

Other (specify)

+ 203.1

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1

= 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 49,996

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.

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Total Assets of the corporation - - - - - + 240 12,922,211 .
 Total Revenue of the corporation - - - - - + 241 17,214,747 .

above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (X) 242 (Yes)

| Name of associated corporation (Canadian & foreign) <i>If insufficient space attach schedule</i> | Ontario Corporations Tax Account No. (MOF) (If applicable) | Taxation Year End | Total Assets | Total Revenue |
|---|--|-------------------|--------------------|--------------------|
| | | | + 243 | + 244 |
| | | | + 245 | + 246 |
| | | | + 247 | + 248 |
| Aggregate Total Assets | 240 + 243 + 245 + 247, etc. | | = 249 12,922,211 . | |
| Aggregate Total Revenue | 241 + 244 + 246 + 248, etc. | | | = 250 17,214,747 . |

Determination of Applicability

Applies if either Total Assets 249 exceeds \$5,000,000 or Total Revenue 250 exceeds \$10,000,000.

Short Taxation Years – Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation – The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101**.

Calculation: CMT (Attach Schedule 101.)

Gross CMT Payable - - CMT Base From Schedule 101 2136 127,229 . X From 30 100.0000 % X 4 % = 276 5,089 .
 If negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach Schedule) - - - - - 277 .
 Subtract: Income Tax - - - - - From 190 49,996 .

Net CMT Payable (If negative, enter Nil on Page 17.) - - - - - = 280 -44,907 .

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 Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.

CMT Credit Carryover available From Schedule 101 - - - - - From 2333 .

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From 190 49,996 .
 Gross CMT Payable - - - - - + From 276 5,089 .
 Subtract: Foreign Tax Credit for CMT purposes - - - - - From 277 .
 If 276 - 277 is negative, enter NIL in 290 = 5,089 .
Income Tax eligible for CMT Credit - - - - - = 300 44,907 .

B. Income Tax (after deduction of specified credits) - - - - - + From 230 49,996 .
 Subtract: CMT credit used to reduce income taxes - - - - - 310 .
Income Tax - - - - - = 320 49,996 .

Transfer to page 17

& B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2333 .

If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2333 .

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

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 481 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in 480 and 430 are both \$3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. 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. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(2)(a) or 2(2)(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. 3012R and 3015R) | - - - - - | + | 350 | 4,631,198 |
| Retained earnings (if deficit, deduct) (Int.B. 3012R) | - - - - - | + | 351 | -1,366,544 |
| Capital and other surpluses, excluding appraisal surplus (Int.B.3012R) | - - - - - | + | 352 | |
| Loans and advances (Attach schedule) (Int.B. 3013R) | - - - - - | + | 353 | 5,298,926 |
| Bank loans (Int.B. 3013R) | - - - - - | + | 354 | |
| Bankers acceptances (Int.B. 3013R) | - - - - - | + | 355 | |
| Bonds and debentures payable (Int.B. 3013R) | - - - - - | + | 356 | |
| Mortgages payable (Int.B. 3013R) | - - - - - | + | 357 | |
| Lien notes payable (Int.B. 3013R) | - - - - - | + | 358 | |
| 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. 3013R) | - - - - - | + | 359 | |
| Contingent, investment, inventory and similar reserves (Int.B. 3012R) | - - - - - | + | 360 | 887,743 |
| Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R) | - - - - - | + | 361 | |
| Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017R) | - - - - - | + | 362 | |
| Subtotal | - - - - - | = | 370 | 9,451,323 |
| Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R) | - - - - - | - | 371 | 837,317 |
| Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R) | - - - - - | - | 372 | |
| Total Paid-up Capital | - - - - - | = | 380 | 8,614,006 |
| Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R) | - - - - - | - | 381 | |
| Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation | - - - - - | - | 382 | |
| Net Paid-up Capital | - - - - - | = | 390 | 8,614,006 |

Eligible Investments (Refer to Guide and Int.B. 3015R)

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

| | | | | |
|---|-----------|---|-----|--------|
| Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998) | - - - - - | + | 402 | |
| Mortgages due from other corporations | - - - - - | + | 403 | |
| Shares in other corporations (certain restrictions apply) (Refer to Guide) | - - - - - | + | 404 | |
| Loans and advances to unrelated corporations | - - - - - | + | 405 | 43,886 |
| 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 | 43,886 |

continued on Page 10

Total Assets (Int.B. 3015R)

DOLLARS ONLY

| | | | | |
|---|-----------|-------------------|------------|-------------|
| Total Assets per balance sheet | - - - - - | + 420 | 12,922,211 | • |
| 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 | 12,922,211 | • |
| Amounts in 360 and 361 (if deducted from assets) | - - - - - | + 440 | 469,850 | • |
| Subtract: Amounts in 371, 372 and 381 | - - - - - | - 441 | 837,317 | • |
| Subtract: Appraisal surplus if booked | - - - - - | - 442 | | • |
| Add or Subtract: Other adjustments (specify on an attached schedule) | - - - - - | + 443 | | • |
| Total Assets | - - - - - | = 450 | 12,554,744 | • |
| Investment Allowance (410 ÷ 450) × 390 | - - - - - | Not to exceed 410 | = 460 | 30,111 • |
| Taxable Capital 390 - 460 | - - - - - | | = 470 | 8,583,895 • |

| | | | | |
|--|-----------|----------|------------|---|
| Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) | - - - | 480 | 8,678,119 | • |
| Total Assets (as adjusted) | - - - - - | From 430 | 12,922,211 | • |

Calculation of Capital Tax for all Corporations except Financial Institutions**Note:** This version (2006) of the CT23 may only be used for a taxation year that commenced after December 31, 2003.

Financial Institutions use calculations on page 13.

Important:

- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.
- OR** If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

| Number of Days in Taxation Year | | | | | |
|--|--------------|-----------------|---|-----|-------------|
| Days before Jan. 1, 2005 | Total Days | | | | |
| 5,000,000 × 35 | ÷ 73 184 | = | + | 500 | • |
| Days after Dec. 31, 2004 and before Jan. 1, 2006 | Total Days | | | | |
| 7,500,000 × 36 | 184 ÷ 73 184 | = | + | 501 | 7,500,000 • |
| Days after Dec. 31, 2005 and before Jan. 1, 2007 | Total Days | | | | |
| 10,000,000 × 37 | ÷ 73 184 | = | + | 502 | • |
| Taxable Capital Deduction (TCD) | | 500 + 501 + 502 | = | 503 | 7,500,000 • |

SECTION CThis section applies if the corporation is **not** a member of an associated group and/or partnership.

- C1.** If 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.
- C2.** If Taxable Capital in 470 is equal to or less than the TCD in 503, enter NIL in 550 on page 12 and complete the return from that point.
- C3.** If Taxable Capital in 470 exceeds the TCD in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

| | | | | | |
|------------|-----|---|---|--|------------------------------|
| + From 470 | • | | | | |
| - From 503 | • | | | | |
| = | 471 | • | × | From 30 | 100.0000 % × 0.3 % × 555 184 |
| | | | | = + 523 | |
| | | | | Ontario Allocation | |
| | | | | 365 (366 if leap year) | |
| | | | | Transfer to 543 on page 12 and complete the return from that point | |

continued on Page 11

If floating taxation year, refer to Guide.

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Capital Tax Calculation *continued from Page 10***SECTION D**

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 E or Section F.

D1. ☐ 509 (X if applicable)

All corporations that you are associated with do not have a permanent establishment in Canada.

If Taxable Capital 470 on page 10 is equal to or less than the TCD 503 on page 10, enter NIL in 550 on page 12 and complete the return from that point.

If Taxable Capital 470 on page 10 exceeds the TCD 503 on page 10, proceed to **Section E**, enter the TCD amount in 542 in Section E, and complete Section E and the return from that point.

D2. ☒ 524 (X if applicable)

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

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group may file an election under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

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

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

Calculation Do not complete this calculation if ss.69(2.1) election is filedTaxable Capital From 470 on page 10 + From 470

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

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada (if insufficient space, attach schedule)

Ontario Corporations Tax Account No. (MOF) (if applicable)

Taxation Year End

Taxable Capital

| | | | | | |
|---------------------------|--------------------------|---|--------------------------|----------------------------|--------------------------|
| | | | | + <input type="text"/> 531 | |
| | | | | + <input type="text"/> 532 | |
| | | | | + <input type="text"/> 533 | |
| Aggregate Taxable Capital | <input type="text"/> 470 | + | <input type="text"/> 531 | + | <input type="text"/> 532 |
| | | | | + | <input type="text"/> 533 |
| | | | | | , etc. |
| | | | | = | <input type="text"/> 540 |

If 540 above is equal to or less than the TCD 503 on page 10, the corporation's Capital Tax for the taxation year, is NIL.

Enter NIL in 523 in section E on page 12, as applicable.

If 540 above is greater than the TCD 503 on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

From 470 \div From 540 \times From 503 = 541

Transfer to 542 in Section E on page 12**Ss.69(2.1) Election Filed**☒ 591 (X if applicable)

Election filed. Attach a copy of Schedule 591 with this CT23 Return. Proceed to **Section F** on page 12.

continued on Page 12

SECTION E

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

$$\begin{array}{rcl}
 + & \text{From} & 470 \\
 - & & 542 \\
 = & & 471
 \end{array}
 \times \text{From } 30 \times \frac{100.0000}{100} \% \times 0.3 \% \times \frac{555 - 184}{365} = + 523$$

Ontario Allocation

Days in taxation year
(366 if leap year)

Total Capital Tax for the taxation year

Transfer to 543 and complete the return from that point

SECTION F

+ From 470 8,583,895 • × From 30 100.0000 % × 0.3 % - - - - - = + 561 25,752 •

Ontario Allocation

— Capital tax deduction from **995** relating to **your corporation's** Capital Tax deduction, on Schedule 591 - -

From **995**

= **562** 25,752

Capital Tax

Days in taxation year

the taxation year

562 25,752 • X 555 184 = 563 12,982 •

* 365 (366 if leap year)

Transfer to 543 and complete the return from that point

* If floating taxation year, refer to Guide.

| | | | | | |
|--------------------|---|--|---|-----|----------|
| Capital Tax | before application of specified credits | - - - - - | = | 543 | 12,982 ● |
| | Subtract: Specified Tax Credits applied to reduce capital tax payable (<i>Refer to Guide</i>) | - - - - - | - | 546 | ● |
| Capital Tax | | 543 - 546 (<i>amount cannot be negative</i>) | = | 550 | 12,982 ● |

Transfer to Page 17

continued on Page 13

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Capital Tax *continued from Page 12***Calculation of Capital Tax for Financial Institutions****1.1 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.

1.2 Other than Credit Unions

(Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)

$$\begin{array}{l}
 \text{565} \quad \text{Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1} \\
 \times 0.6\% \times \text{From } 30 \quad \text{Ontario Allocation} \\
 \times \frac{100.0000\%}{\text{Days in taxation year}} \times \frac{555}{184} \div 365 \text{ (366 if leap year)} = + \text{569}
 \end{array}$$

$$\begin{array}{l}
 \text{570} \quad \text{Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount} \\
 \times \text{571} \quad \text{Capital Tax Rate (Refer to Guide)} \\
 \times \frac{100.0000\%}{\text{Days in taxation year}} \times \frac{555}{184} \div 365 \text{ (366 if leap year)} = + \text{574}
 \end{array}$$

$$\text{Capital Tax for Financial Institutions – other than Credit Unions (before Section 2)} \quad \text{569} + \text{574} = \text{575}$$

* If floating taxation year, refer to Guide.

Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

$$\begin{array}{l}
 \text{Allowable Credit for Eligible Investments} \quad - - - - - \text{585} \\
 \text{Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X)} \quad \text{Yes}
 \end{array}$$

$$\text{Capital Tax - Financial Institutions} \quad \text{575} - \text{585} = \text{586}$$

Transfer to 543 on Page 12

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

$$\begin{array}{l}
 \text{(1) Uninsured Benefits Arrangements} \quad - - - - - \text{587} \times 2\% = \text{588} \\
 \text{Applies to Ontario-related uninsured benefits arrangements.}
 \end{array}$$

$$\begin{array}{l}
 \text{(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)} \\
 \text{Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.}
 \end{array}$$

$$\text{Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide)} \quad - - - - - \text{589}$$

$$\text{Premium Tax} \quad \text{588} - \text{589} = \text{590}$$

Transfer to page 17

DOLLARS ONLY

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1

 ± 600 357,111 •
Transfer to Page 15
Add:

| | | | | |
|---|-----------|---|-----|-----------|
| Federal capital cost allowance | - - - - - | + | 601 | 200,009 • |
| Federal cumulative eligible capital deduction | - - - - - | + | 602 | 12,286 • |
| Ontario taxable capital gain | - - - - - | + | 603 | • |
| Federal non-allowable reserves. Balance beginning of year | - - - - - | + | 604 | • |
| Federal allowable reserves. Balance end of year | - - - - - | + | 605 | 148,929 • |
| Ontario non-allowable reserves. Balance end of year | - - - - - | + | 606 | 950,854 • |
| Ontario allowable reserves. Balance beginning of year | - - - - - | + | 607 | • |
| Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) | - - - - - | + | 608 | • |
| Federal resource allowance (<i>Refer to Guide</i>) | - - - - - | + | 609 | • |
| Federal depletion allowance | - - - - - | + | 610 | • |
| Federal foreign exploration and development expenses | - - - - - | + | 611 | • |
| All Crown charges, royalties, rentals, etc. deducted for Federal purposes (<i>Refer to Guide</i>) | - - - - - | + | 617 | • |
| Management fees, rents, royalties and similar payments to non-arm's length non-residents ▼ | - - - - - | + | 617 | • |

Number of Days in Taxation Year

$$\begin{array}{l}
 \text{Days after Dec. 31, 2002 and before Jan. 1, 2004} \\
 \text{Total Days} \\
 612 \times 5 / 12.5 \times 33 \div 73 = 184 \quad \text{Total Days} \\
 \text{Total Days} \\
 612 \times 5 / 14 \times 34 \div 73 = 184 \quad \text{Total Days}
 \end{array}$$

Total add-back amount for Management fees, etc. 633 + 634 = 613 •

 Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661
 excluding any negative amount in 473 from Ont. CT23 Schedule 161 + 615 •

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 •

Federal allowable business investment loss + 620 •

 Total of other items not allowed by Ontario but allowed federally (*Attach schedule*) + 614 •

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 1,312,078 • 640 1,312,078 •
Transfer to Page 15
Deduct:

| | | | | |
|--|-----------|---|-----|-----------|
| Ontario capital cost allowance (excludes amounts deducted under 675) | - - - - - | + | 650 | 200,009 • |
| Ontario cumulative eligible capital deduction | - - - - - | + | 651 | 12,286 • |
| Federal taxable capital gain | - - - - - | + | 652 | • |
| Ontario non-allowable reserves. Balance beginning of year | - - - - - | + | 653 | • |
| Ontario allowable reserves. Balance end of year | - - - - - | + | 654 | 148,929 • |
| Federal non-allowable reserves. Balance end of year | - - - - - | + | 655 | 950,854 • |
| Federal allowable reserves. Balance beginning of year | - - - - - | + | 656 | • |
| Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (<i>Retain calculations. Do not submit.</i>) | - - - - - | + | 657 | • |
| Ontario depletion allowance | - - - - - | + | 658 | • |
| Ontario resource allowance (<i>Refer to Guide</i>) | - - - - - | + | 659 | • |
| Ontario current cost adjustment (<i>Attach schedule</i>) | - - - - - | + | 661 | • |
| CCA on assets used to generate electricity from natural gas, alternative or renewable resources. | - - - - - | + | 675 | • |

 Subtotal of deductions for this page 650 to 659 + 661 + 675 = 1,312,078 • 681 1,312,078 •
Transfer to Page 15

continued on Page 15

MIDDLESEX POWER DISTRIBUTION CORPO

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**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 Schedule 1 From \pm 600 357,111.

Total of Additions on page 14 From = 640 1,312,078.

Sub Total of deductions on page 14 From = 681 1,312,078.

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

From 662

ONTTI Gross-up deduction calculation:

Gross-up of CCA

$$\begin{array}{rcl} \text{From } 662 & \times & 100 \\ & & \text{From } 30 \quad 100.0000 \\ & & \text{Ontario Allocation} \end{array} = \text{From } 662 \quad 663$$

Workplace Child Care Tax Incentive (WCCT)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\begin{array}{rcl} \text{Qualifying expenditures: } 665 & \times & 30\% \times 100 \\ & & \text{From } 30 \quad 100.0000 \\ & & \text{Ontario allocation} \end{array} = 666$$

Workplace Accessibility Tax Incentive (WATI)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\begin{array}{rcl} \text{Qualifying expenditures: } 667 & \times & 100\% \times 100 \\ & & \text{From } 30 \quad 100.0000 \\ & & \text{Ontario allocation} \end{array} = 668$$

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI)*(Applies to the eligible acquisition of school buses purchased
after May 4, 1999 and before January 1, 2006.) (Refer to Guide)*

$$\begin{array}{rcl} \text{Qualifying expenditures: } 670 & \times & 30\% \times 100 \\ & & \text{From } 30 \quad 100.0000 \\ & & \text{Ontario allocation} \end{array} = 671$$

Educational Technology Tax Incentive (ETTI)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\begin{array}{rcl} \text{Qualifying expenditures: } 672 & \times & 15\% \times 100 \\ & & \text{From } 30 \quad 100.0000 \\ & & \text{Ontario allocation} \end{array} = 673$$

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

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 1,312,078. 680 1,312,078.**Net income (loss) for Ontario Purposes** 600 + 640 - 680 = 690 357,111.

Transfer to Page 4

DOLLARS ONLY

Continuity of Losses Carried Forward

| | Non-Capital Losses (1) | Total Capital Losses | Farm Losses | Restricted Farm Losses | Listed Personal Property Losses | Limited Partnership Losses (6) |
|--|---------------------------|-------------------------|--------------------|---------------------------|------------------------------------|-----------------------------------|
| Balance at Beginning of Year | 700 (2) | 710 (2) | 720 (2) | 730 | 740 | 750 |
| Add: | | | | | | |
| Current year's losses (7) | 701 | 711 | 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 reduce taxable income | 704 (2) | 715 (2) (4) | 724 (2) | 734 (2) (4) | 744 (4) | 754 (4) |
| Expired during the year | 705 | | 725 | 735 | 745 | |
| Carried back to prior years to reduce taxable income (5) | 706 (2) to Page 17 | 716 (2) to Page 17 | 726 (2) to Page 17 | 736 (2) to Page 17 | 746 | |
| Subtotal | 707 | 717 | 727 | 737 | 747 | 757 |
| Balance at End of Year | 709 (8) | 719 | 729 | 739 | 749 | 759 |

Analysis of Balance at End of Year by Year of Origin

| Year of Origin (oldest year first) year month day | Non-Capital Losses | Non-Capital Losses of Predecessor Corporations | Total Capital Losses from Listed Personal Property only | Farm Losses | Restricted Farm Losses |
|---|--------------------|--|---|-------------|---------------------------|
| 800 9th preceding taxation year 1996-12-31 | 817 (9) | 860 (9) | | 850 | 870 |
| 801 8th preceding taxation year 1997-12-31 | 818 (9) | 861 (9) | | 851 | 871 |
| 802 7th preceding taxation year 1998-12-31 | 819 (9) | 862 (9) | | 852 | 872 |
| 803 6th preceding taxation year 1999-12-31 | 820 | 830 | 840 | 853 | 873 |
| 804 5th preceding taxation year 2000-12-31 | 821 | 831 | 841 | 854 | 874 |
| 805 4th preceding taxation year 2001-12-31 | 822 | 832 | 842 | 855 | 875 |
| 806 3rd preceding taxation year 2002-12-31 | 823 | 833 | 843 | 856 | 876 |
| 807 2nd preceding taxation year 2003-12-31 | 824 | 834 | 844 | 857 | 877 |
| 808 1st preceding taxation year 2005-06-30 | 825 | 835 | 845 | 858 | 878 |
| 809 Current taxation year 2005-12-31 | 826 | 836 | 846 | 859 | 879 |
| Total | 829 | 839 | 849 | 869 | 889 |

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.

- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

MIDDLESEX POWER DISTRIBUTION CORPO

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DOLLARS ONLY

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

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

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

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 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 back to preceding taxation years and applied to reduce taxable income | | | | |
| Predecessor Ontario Corporation's Tax Account No. (MOF) | | | | |
| Taxation Year Ending year month day | | | | |
| i) 3 rd preceding | 901 2002-12-31 | 911 921 | 931 | 941 |
| ii) 2 nd preceding | 902 2003-12-31 | 912 922 | 932 | 942 |
| iii) 1 st preceding | 903 2005-06-30 | 913 923 | 933 | 943 |
| Total loss to be carried back | From 706 | From 716 | From 726 | From 736 |
| Balance of loss available for carry-forward | 919 | 929 | 939 | 949 |

Summary

| | | | |
|--|-------------|-----------------|---------|
| Income Tax | - - - - - + | From 230 or 320 | 49,996 |
| Corporate Minimum Tax | - - - - - + | From 280 | |
| Capital Tax | - - - - - + | From 550 | 12,982 |
| Premium Tax | - - - - - + | From 590 | |
| Total Tax Payable | - - - - - = | 950 | 62,978 |
| Subtract: Payments | - - - - - - | 960 | |
| Capital Gains Refund (s.48) | - - - - - - | 965 | |
| Qualifying Environmental Trust Tax Credit (Refer to Guide) | - - - - - - | 985 | |
| Specified Tax Credits (Refer to Guide) | - - - - - - | 955 | |
| Other, specify Alloc from Fed | - - - - - - | | -78,993 |
| Balance | - - - - - = | 970 | 141,971 |
| If payment due | - - - - - | Enclosed * 990 | 141,971 |
| If overpayment: Refund (Refer to Guide) | - - - - - = | 975 | |
| year month day | | | |
| Apply to | | 980 | |
| (Includes credit interest) | | | |

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

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

DAVE KENNEY

Title

PRESIDENT

Full Residence Address

Signature

Date

2006-06-30

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Attached Schedule with Total

Contingent, investment, inventory and similar reserves (Int.B. 3012R)

Title CT23 LINE 360 - RESERVES

| Description | Amount |
|-----------------------------------|------------|
| EMPLOYEE FUTURE BENEFITS | 37,293 00 |
| REGULATORY REVENUE PAYABLE | 380,600 00 |
| REGULATORY ASSET RECOVERY RESERVE | 469,850 00 |
| | |
| Total | 887,743 00 |

Attached Schedule with Total

*Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R)

Title CT23 LINE 371 ADJUSTMENTS

| Description | Amount |
|------------------------------------|-------------------|
| CUMULATIVE ACCOUNTING DEPRECIATION | -224,968 00 |
| CUMULATIVE CCA | 366,044 00 |
| CUMULATIVE CEC | 23,481 00 |
| Transition Costs | 199,769 00 |
| Retail Settlement Variance | 343,517 00 |
| Other deferred costs | 129,474 00 |
| | |
| Total | 837,317 00 |

Attached Schedule with Total

Loans and advances to unrelated corporations

Title Loans and advances to unrelated corporations

| Description | | Amount |
|--|-------|-----------|
| Eligible amounts included in prepaid account | | 43,886 00 |
| | | |
| | Total | 43,886 00 |

Corporate Minimum Tax (CMT)

CT23 Schedule 101

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

1: Calculation of CMT Base

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

Life insurance corporations – Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 127,229

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes + 2101

Provision for deferred income taxes (credits) / benefit of future income taxes + 2102

Equity income from corporations + 2103

Share of partnership(s)/joint venture(s) income + 2104

Dividends received/receivable deductible under fed.s.112 + 2105

Dividends received/receivable deductible under fed.s.113 + 2106

Dividends received/receivable deductible under fed.s.83(2) + 2107

Dividends received/receivable deductible under fed.s.138(6) + 2108

Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) x 3 + 2109

Subtotal = 2110

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes + 2111

Provision for deferred income taxes (debits) / cost of future income taxes + 2112

Equity losses from corporations + 2113

Share of partnership(s)/joint venture(s) losses + 2114

Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) + 2115

Subtotal = 2116

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85 + 2117 or - 2118

** Fed.s.85.1 + 2119 or - 2120

** Fed.s.97 + 2121 or - 2122

** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years + 2123 or - 2124

** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years + 2125 or - 2126

** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years + 2127 or - 2128

Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income - 2150

Subtotal (Additions) = 2129

Subtotal (Subtractions) = 2130

** Other adjustments ± 2131

Subtotal ± 2100 - 2110 + 2116 + 2129 - 2130 ± 2131 = 2132 127,229

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss ± 2133

Adjusted net income (loss) (if loss, transfer to 2202 in Part 2: Continuity of CMT Losses Carried Forward.) = 2134 127,229

Deduct: * CMT losses: pre-1994 Loss + From 2210

* CMT losses: other eligible losses + 2211

= 2135

CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this schedule.

CMT Base = 2136 127,229

Transfer to CMT Base on Page 8 of the CT23 or Page 6 of the CT8

Corporate Minimum Tax (CMT)

CT23 Schedule 101

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

Part 2: Continuity of CMT Losses Carried Forward

| | | | | |
|--|--------------------|---|------|-------|
| Balance at Beginning of year NOTES (1), (2) | ..... | + | 2201 | ..... |
| Add: | | | | |
| Current year's losses | ..... | + | 2202 | ..... |
| Losses from predecessor corporations on amalgamation NOTE (3) | ..... | + | 2203 | ..... |
| Losses from predecessor corporations on wind-up NOTE (3) | ..... | + | 2204 | ..... |
| Amalgamation (X) 2205 <input type="checkbox"/> Yes Wind-up (X) 2206 <input type="checkbox"/> Yes | | | | |
| Subtotal | ..... | = |  | ..... |
| Adjustments (attach schedule) | ..... | ± | 2208 | ..... |
| CMT losses available | 2201 + 2207 ± 2208 | = | 2209 | ..... |
| 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 NOTE (4) | ..... | + | 2211 | ..... |
| Losses expired during the year | ..... | + | 2212 | ..... |
| Subtotal | ..... | = |  | ..... |
| Balances at End of Year NOTE (5) | 2209 - 2213 | = | 2214 | ..... |

Notes:

- (1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 + 2290.

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

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

| | Year of Origin (oldest year first) year month day | CMT Losses of Corporation | CMT Losses of Predecessor Corporations |
|---------------|---|---------------------------|---|
| 2240 | 9th preceding taxation year 1996-12-31 | 2260 | 2280 |
| 2241 | 8th preceding taxation year 1997-12-31 | 2261 | 2281 |
| 2242 | 7th preceding taxation year 1998-12-31 | 2262 | 2282 |
| 2243 | 6th preceding taxation year 1999-12-31 | 2263 | 2283 |
| 2244 | 5th preceding taxation year 2000-12-31 | 2264 | 2284 |
| 2245 | 4th preceding taxation year 2001-12-31 | 2265 | 2285 |
| 2246 | 3rd preceding taxation year 2002-12-31 | 2266 | 2286 |
| 2247 | 2nd preceding taxation year 2003-12-31 | 2267 | 2287 |
| 2248 | 1st preceding taxation year 2005-06-30 | 2268 | 2288 |
| 2249 | Current taxation year 2005-12-31 | 2269 | 2289 |
| Totals | | 2270 | 2290 |

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

CT23 Schedule 101

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) + 2301

Add: Current year's CMT Credit (280 on page 8 of the CT23
or 347 on page 6 of the CT8. If negative, enter NIL) + From 280 or 347
Gross Special Additional Tax NOTE (2) 312 on page 5 of CT8.
(Life Insurance corporations only.
Others enter NIL.) + From 312
Subtract Income Tax
(190 on page 6 of the CT23 or
page 4 of the CT8) - From 190
Subtotal (If negative, enter NIL) = 2305
Current year's CMT credit (If negative, enter NIL) 280 or 347 - 2305 = 2310
CMT Credit Carryovers from predecessor corporations NOTE (3) + 2325
Amalgamation (X) 2315 ☐ Yes Wind-up (X) 2320 ☐ Yes
Subtotal 2301 + 2310 + 2325 = 2330
Adjustments (Attach schedule) ± 2332
CMT Credit Carryover available 2330 ± 2332 = 2333

Transfer to Page 8 of the CT23 or Page 6 of the CT8

Subtract: CMT Credit utilized during the year to reduce income tax

(310 on page 8 of the CT23 or 351 on page 6 of the CT8.) + From 310 or 351
CMT Credit expired during the year + 2334
Subtotal = - 2335
Balances at End of Year NOTE (4) 2333 - 2335 = 2336

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(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))

(4) Amount in 2336 must equal sum of 2370 + 2390 .

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

| | Year of Origin (oldest year first) year month day | CMT Credit Carryovers of Corporation | CMT Credit Carryovers of Predecessor Corporation(s) |
|---------------|---|---|--|
| 2340 | 9th preceding taxation year 1996-12-31 | 2360 | 2380 |
| 2341 | 8th preceding taxation year 1997-12-31 | 2361 | 2381 |
| 2342 | 7th preceding taxation year 1998-12-31 | 2362 | 2382 |
| 2343 | 6th preceding taxation year 1999-12-31 | 2363 | 2383 |
| 2344 | 5th preceding taxation year 2000-12-31 | 2364 | 2384 |
| 2345 | 4th preceding taxation year 2001-12-31 | 2365 | 2385 |
| 2346 | 3rd preceding taxation year 2002-12-31 | 2366 | 2386 |
| 2347 | 2nd preceding taxation year 2003-12-31 | 2367 | 2387 |
| 2348 | 1st preceding taxation year 2005-06-30 | 2368 | 2388 |
| 49 | Current taxation year 2005-12-31 | 2369 | 2389 |
| Totals | | 2370 | 2390 |

The sum of amounts 2370 + 2390
must equal amount in 2336 .

Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

| | Corporation's Pre-1994 Loss | Predecessors' Pre-1994 Loss Amalgamation | Wind-Up |
|---|--------------------------------|---|---------|
| Date of the last tax year end before the corp's 1st tax year commencing after 1993 | | | |
| Pre-1994 Loss (per schedule) | | | |
| Less: Claimed in prior taxation years commencing after 1993 | | | |
| Pre-1994 Loss available for the current year | | | |
| Less: Deducted in the current year | | | |
| (max. = adj. net income for the year) | | | |
| Expired after 10 years | | | |
| Pre-1994 Loss Carryforward | | | |

**(ii) Continuity of Other Eligible CMT Losses – Filing Corporation
(for losses occurring in tax years commencing after 1993)**

| | Year of Origin YYYY/MM/DD | Opening Balance | Adjustment | Deduction | Expired | Closing Balance |
|-----------------|------------------------------|-----------------|------------|-----------|---------|-----------------|
| 10th Prior Year | 1995-12-31 | | | | | |
| 9th Prior Year | 1996-12-31 | | | | | |
| 8th Prior Year | 1997-12-31 | | | | | |
| 7th Prior Year | 1998-12-31 | | | | | |
| 6th Prior Year | 1999-12-31 | | | | | |
| 5th Prior Year | 2000-12-31 | | | | | |
| 4th Prior Year | 2001-12-31 | | | | | |
| 3rd Prior Year | 2002-12-31 | | | | | |
| 2nd Prior Year | 2003-12-31 | | | | | |
| 1st Prior Year | 2005-06-30 | | | | | |
| | Total | | | | | |

Predecessor Corporations Only – Amalgamation

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

| Year of Origin YYYY/MM/DD | Opening Balance | Add | Adjustment | Deduction | Expired | Closing Balance |
|------------------------------|-----------------|-----|------------|-----------|---------|-----------------|
| 1995-12-31 | | | | | | |
| 1996-12-31 | | | | | | |
| 1997-12-31 | | | | | | |
| 1998-12-31 | | | | | | |
| 1999-12-31 | | | | | | |
| 2000-12-31 | | | | | | |
| 2001-12-31 | | | | | | |
| 2002-12-31 | | | | | | |
| 2003-12-31 | | | | | | |
| 2005-06-30 | | | | | | |
| Total | | | | | | |

Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

IT Losses Carried Forward Workchart (continued)

- Predecessor Corporations Only – Wind-Up

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

| Year of Origin YYYY/MM/DD | Opening Balance | Add | Adjustment | Deduction | Expired | Closing Balance |
|------------------------------|-----------------|-----|------------|-----------|---------|-----------------|
| 1995-12-31 | | | | | | |
| 1996-12-31 | | | | | | |
| 1997-12-31 | | | | | | |
| 1998-12-31 | | | | | | |
| 1999-12-31 | | | | | | |
| 2000-12-31 | | | | | | |
| 2001-12-31 | | | | | | |
| 2002-12-31 | | | | | | |
| 2003-12-31 | | | | | | |
| 2005-06-30 | | | | | | |
| Total | | | | | | |

Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

CT Credit Carryovers Workchart

Filing Corporation

| | Year of Origin YYYY/MM/DD | Opening Balance | Adjustment | Deduction | Expired | Closing Balance |
|-----------------|------------------------------|-----------------|------------|-----------|---------|-----------------|
| 10th Prior Year | 1995-12-31 | | | | | |
| 9th Prior Year | 1996-12-31 | | | | | |
| 8th Prior Year | 1997-12-31 | | | | | |
| 7th Prior Year | 1998-12-31 | | | | | |
| 6th Prior Year | 1999-12-31 | | | | | |
| 5th Prior Year | 2000-12-31 | | | | | |
| 4th Prior Year | 2001-12-31 | | | | | |
| 3rd Prior Year | 2002-12-31 | | | | | |
| 2nd Prior Year | 2003-12-31 | | | | | |
| 1st Prior Year | 2005-06-30 | | | | | |
| Total | | | | | | |

Predecessor Corporations Only – Amalgamation

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

| Year of Origin YYYY/MM/DD | Opening Balance | Add | Adjustment | Deduction | Expired | Closing Balance |
|------------------------------|-----------------|-----|------------|-----------|---------|-----------------|
| 1995-12-31 | | | | | | |
| 1996-12-31 | | | | | | |
| 1997-12-31 | | | | | | |
| 1998-12-31 | | | | | | |
| 1999-12-31 | | | | | | |
| 2000-12-31 | | | | | | |
| 2001-12-31 | | | | | | |
| 2002-12-31 | | | | | | |
| 2003-12-31 | | | | | | |
| 2005-06-30 | | | | | | |
| Total | | | | | | |

Predecessor Corporations Only – Wind-Up

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

| Year of Origin YYYY/MM/DD | Opening Balance | Add | Adjustment | Deduction | Expired | Closing Balance |
|------------------------------|-----------------|-----|------------|-----------|---------|-----------------|
| 1995-12-31 | | | | | | |
| 1996-12-31 | | | | | | |
| 1997-12-31 | | | | | | |
| 1998-12-31 | | | | | | |
| 1999-12-31 | | | | | | |
| 2000-12-31 | | | | | | |
| 2001-12-31 | | | | | | |
| 2002-12-31 | | | | | | |
| 2003-12-31 | | | | | | |
| 2005-06-30 | | | | | | |
| Total | | | | | | |



Ministry of Finance
Corporations Tax Branch
PO Box 822
33 King Street West
Oshawa ON L1H 8H6

CT23 Change of Address

| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
|--|--|-------------------|
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

CT23 Change of Address

Federal Account Number 86570 1635 RC0001

Effective Date of Change

New Mailing Address:

C/O

Address 1 320 QUEEN ST

Address 2 P.O. BOX 70

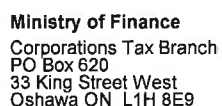
City CHATHAM

Province ON

Country CA

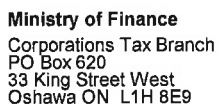
Postal Code N7M 5K2

Zip Code



| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

CORPORATE TAXPREP - 2006 V.1 Page 1 of 1



| | | |
|--|--|-------------------|
| orporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

(includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

CORPORATE TAXPREP - 2006 V.1 Page 1 of 1



Ontario

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

Ontario Capital Cost Allowance Schedule 8

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

Is the corporation electing under regulation 1101(5q)? 1 ☐ Yes 2 ☒ No

| 1 Class number | 2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule) | 3 Cost of acquisitions during the year (new property must be available for use) See note 1 below | 4 Net adjustments (show negative amounts in brackets) | 5 Proceeds of dispositions during the year (amount not to exceed the capital cost) | 6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5) | 7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below | 8 Reduced undepreciated capital cost (column 6 minus column 7) | 9 CCA rate % | 10 Recapture of capital cost allowance | 11 Terminal loss | 12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount) | 13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12) |
|-------------------|---|--|--|---|---|---|---|-----------------|---|---------------------|---|--|
| 1 | 4,270,267 | 154,665 | | 0 | 4,424,932 | 77,333 | 4,347,599 | 4 | 0 | 0 | 87,667 | 4,337,265 |
| 2 | 2,790,659 | | | 0 | 2,790,659 | | 2,790,659 | 6 | 0 | 0 | 84,408 | 2,706,251 |
| 8 | 85,210 | 13,368 | | 0 | 98,578 | 6,684 | 91,894 | 20 | 0 | 0 | 9,265 | 89,313 |
| 10 | 119,910 | | | 0 | 119,910 | | 119,910 | 30 | 0 | 0 | 18,134 | 101,776 |
| 45 | | 4,717 | | 0 | 4,717 | 2,359 | 2,358 | 45 | 0 | 0 | 535 | 4,182 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Totals | 7,266,046 | 172,750 | | | 7,438,796 | 86,376 | 7,352,420 | | | | 200,009 | 7,238,787 |

Enter in boxes 650 650 650 on the CT23.

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.



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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. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (if negative, enter zero) 348,170 A

Add: Cost of eligible capital property acquired during the taxation year + B
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 = 348,170 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 + G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada) + H

Other adjustments + I

Total of G + H + I = x 3 / 4 = J

Ontario cumulative eligible capital balance F - J = 348,170 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 348,170 K x 7 % = 12,286 L

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box 651 of the CT23

Ontario cumulative eligible capital – closing balance K - L (if negative, enter zero) = 335,884 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 – Amount to be included in income arising from disposition

Only complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount N

Total 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) of the ITA 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 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 ending after February 27, 2000 7

Deduct line 7 from line 6

N - O (cannot be negative)

Amount on line 5 x 1 / 2

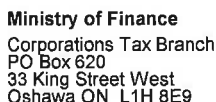
P - Q

Amount on line R x 2 / 3

User of line N or line O

Amount 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





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

2005

Capital Tax Election of Associated
Group Agreement for Allocation of
Taxable Capital Deduction (TCD)

CT23 SCHEDULE 591

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

The following associated group of corporations includes all the corporations in this associated group (excluding financial institutions and corporations exempt from capital tax) having a permanent establishment in Canada and are hereby making an election under subsection 69(2.1) of the *Corporation Tax Act* to allocate the tax effect of the group's taxable capital deduction (TCD) as calculated in section B on page 10 of the CT23 for all taxation years which end in the 2005 calendar year, based on each corporation's total assets and Ontario allocation factor from each corporation's last taxation year ending in the 2004 calendar year.

***Applies to taxation years ending in the
2005 calendar year.***

| Corporation having a permanent establishment in Canada | Last taxation year ending in 2004 calendar year | Ontario Allocation A | Total Assets T | Net Deduction $A \times [TE \times (T-X)]$ ND | Allocation of Net Deduction AND |
|--|--|-------------------------|-------------------|---|---------------------------------------|
| Corporation Tax Account Number (if applicable) 1800268 | YEAR MONTH DAY | | | | 995 |
| Corporation Name MIDDLESEX POWER DISTRIBUTION CORPORATION | | | | | |
| Tax Effect (TE) of Taxable Capital Deduction TCD From CT23, Page 10, Section B 503 7,500,000 \times 0.3 % = TE 22,500 | | | | | |
| Corporation Tax Account Number (if applicable) | 2004-12-31 | 100.0000 | 69,000,000 | 22,500 | 995 19,500 |
| Corporation Name CHATHAM-KENT HYDRO INC | | | | | |
| Tax Effect (TE) of Taxable Capital Deduction TCD From CT23, Page 10, Section B 503 7,500,000 \times 0.3 % = TE 22,500 | | | | | |
| Corporation Tax Account Number (if applicable) | 2004-12-31 | | | | 995 |
| Corporation Name CHATHAM-KENT ENERGY INC | | | | | |
| Tax Effect (TE) of Taxable Capital Deduction TCD From CT23, Page 10, Section B 503 7,500,000 \times 0.3 % = TE 22,500 | | | | | |
| Corporation Tax Account Number (if applicable) | 2004-12-31 | | | | 995 |
| Corporation Name THE CORPORATION OF THE MUNICIPALITY OF CHATHAM-KENT | | | | | |
| Tax Effect (TE) of Taxable Capital Deduction TCD From CT23, Page 10, Section B 503 7,500,000 \times 0.3 % = TE 22,500 | | | | | |
| Corporation Tax Account Number (if applicable) | 2004-12-31 | | | | 995 3,000 |
| Corporation Name Chatham-Kent Utility Services Inc. | | | | | |
| Tax Effect (TE) of Taxable Capital Deduction TCD From CT23, Page 10, Section B 503 7,500,000 \times 0.3 % = TE 22,500 | | | | | |

If insufficient space, attach list.

| | | |
|---|--|-----|
| Total Assets of Associated Group having permanent establishments in Canada | <input checked="" type="checkbox"/> 69,000,000 | 959 |
| Total Net Deductions of Associated Group having permanent establishments in Canada | <input type="checkbox"/> TND 22,500 | 994 |
| Total Allocated Net Deductions of Associated Group having permanent establishments in Canada | <input type="checkbox"/> TAND 22,500 | |

Corporate Taxpayer Summary

Corporate information

Corporation's name: MIDDLESEX POWER DISTRIBUTION CORPORATION
 Taxation Year: 2005-07-01 to 2005-12-31
 Jurisdiction: Ontario

| BC | AB | SK | MB | ON | QC | NB | NS | NO | PE | NL | XO | YT | NT | NU | OC |
|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Corporation is associated: Y Number of associated corporations: 4
 Corporation is related: Y Type of corporation: Canadian-Controlled Private Corporation

Summary of federal information

Net income: 357,111 Calculation of income from an active business carried on in Canada: 357,111
 Taxable income: 357,111 Dividends paid: _____
 Donations: _____

Credits against part I tax

Small business deduction _____
 M&P deduction _____
 Foreign tax credit _____
 Political contributions _____
 Investment tax credits _____
 Abatement/Other* 60,709

Federal taxes

Part I 74,993
 Surtax 4,000
 Part I.3 _____
 Part IV _____
 Part I & Surtax 78,993
 Other* _____

Refunds/credits

ITC refund _____
 Dividends refund _____
 Instalments 78,993
 Surtax credit _____
 Other* _____

Balance due/refund (–) _____

* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

Summary of federal carryforward/carryback information

Carryback amounts

Investment tax credits _____
 Non-capital loss _____
 Capital loss _____
 Farm loss _____
 Restricted farm loss _____
 Surtax credit _____
 Part I tax credit (Schedule 42) _____
 Federal foreign non-business income tax credit _____

Carryforward balances

RDTOH _____
 Charitable donations _____
 Gifts to Canada, a province or a territory _____
 Gifts of certified cultural property _____
 Gifts of certified ecologically sensitive land _____
 Investment tax credits _____
 Non-capital losses _____
 Capital/L.P.P. losses _____
 Farm losses _____
 Restricted farm losses _____
 Foreign business tax credit _____
 Unused surtax credit _____
 Capital dividend amount _____
 Part I tax credit (Schedule 42) 78,993
 Cumulative eligible capital 335,884
 Capital gains reserves _____
 Financial statement reserve 950,854
 Other reserves 148,929
 Balance of patronage dividends _____
 Continuity of exemption of accumulated income _____

Summary of provincial information – provincial income tax payable

| | Ontario (CT-23) | Québec (CO-17) | Alberta (AT1) |
|------------------------------------|----------------------------|---------------------------|--------------------------|
| % Allocation | 100.00 | | |
| Attributed taxable income | 357,111 | | |
| Tax payable before deduction* | 49,996 | | |
| Deductions and credits | | | |
| Net tax payable | 49,996 | | |
| Attributed taxable capital | 8,583,895 | | N.A. |
| Capital tax payable** | 12,982 | | N.A. |
| Total tax payable*** | 62,978 | | |
| Instalments and refundable credits | -78,993 | | |
| Balance due/Refund (-) | 141,971 | | |

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes corporate minimum tax and premium tax.

| | British Columbia | Saskatchewan | Manitoba | |
|--|--------------------------------------|---------------------------------|--------------------|----------------------|
| % Allocation | | | | |
| Attributed taxable income | | | | |
| Tax payable before deduction | | | | |
| Deductions and credits | | | | |
| Net income tax to pay (refer to Schedule 5 and to the T2) | | | | |
| Attributed taxable capital | | | | |
| Capital tax payable | | | | |
| Instalments and refundable credits | | | | |
| Balance due/Refund (-) | | | | |
| | Newfoundland and Labrador | Prince Edward Island | Nova Scotia | New Brunswick |
| % Allocation | | | | |
| Attributed taxable income | | | | |
| Tax payable before deduction | | | | |
| Deductions and credits | | | | |
| Net income tax to pay (refer to Schedule 5 and to the T2) | | | | |
| Attributed taxable capital | | | | |
| Capital tax payable | | | | |
| Instalments and refundable credits | | | | |
| Balance due/Refund (-)* | | | | |

* Only applies in the case of bank, a loan corporation or a trust corporation.

| | Yukon | Northwest Territories | Nunavut |
|--|--------------|----------------------------------|----------------|
| % Allocation | | | |
| Attributed taxable income | | | |
| Tax payable before deduction | | | |
| Deductions and credits | | | |
| Net income tax to pay (refer to Schedule 5 and to the T2) | | | |

Summary of provincial carryforward amounts

| | Ontario | Québec | Alberta |
|------------------------------|---------|---------|---------|
| Non-capital losses | | | |
| Net capital/L.P.P. losses | | | |
| Farm losses | | | |
| Restricted farm losses | | | |
| Donations | | | |
| Capital gains reserves | | | |
| Financial statement reserves | 950,854 | 950,854 | 950,854 |
| Other reserves | 148,929 | 148,929 | 148,929 |
| Eligible capital | 335,884 | 335,884 | 335,884 |

Other carryforward amounts:

| | |
|---|--|
| Scientific research and experimental development – Sch. 425 | |
| Manufacturing and processing – Sch. 426 | |
| Research and development – Sch. 380 | |
| Manufacturing investment – Sch. 381 | |
| Co-operative education – Sch. 384 | |
| Odour control – Sch. 385 | |
| Manufacturing and processing – Sch. 401 | |
| Manufacturing and processing investment – Sch. 402 | |
| Research and development – Sch. 403 | |
| Direct equity tax – Sch. 303 | |
| Investment – Ann. 321 | |
| Manufacturing and processing investment – Sch. 344 | |
| Research and development – Sch. 360 | |
| Investment – Sch. 480 | |
| Foreign non-business income tax credits – L422 | |
| Continuity of other eligible CMT losses – Filling Corporation – OCMT101 | |
| Predecessor corporations only – Amalgamation – OCMT101 | |
| Predecessor corporations only – Wind-up – OCMT101 | |
| CMT credit carryovers workchart - Filling Corporation – OCMT101 | |
| CMT credit carryovers workchart - Predecessor corporations only – Amalgamation | |
| CMT credit carryovers workchart - Wind-up – OCMT101 | |
| Continuity Schedule for Federal ITC relating to SR&ED Expenditures for the Preceding Taxation Year - O161 | |
| Continuity Schedule for the Amount of Federal ITC from SR&ED Expenditures relating to QORD for the Preceding Taxation Year - O161 | |

Attached Schedule with Total

| | |
|-------------|--------|
| Title | |
| Description | Amount |
| | |
| Total | |



Ministry of Finance
Corporations Tax
33 King Street West
PO Box 622
Oshawa ON L1H 8H6

Authorizing or Cancelling a Representative

Complete this form to:

- **authorize** the release of confidential information about the Corporations Tax, Mining Tax or Electricity Act account(s) to the representative named below.
- **cancel** an existing authorization.

| | | |
|--|--|-------------------|
| Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 1800268 | 2005-12-31 |

Part 1 Client Information

| | | |
|---|--------------------|--|
| Legal Name | Phone number | This authorization applies to the following statute(s) and account number(s). <input checked="" type="checkbox"/> Corporations Tax Act 1800268 <input type="checkbox"/> Mining Tax Act <input type="checkbox"/> Electricity Act |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | (519) 352-6300 | |
| Mailing address | | |
| Apt./Suite/Unit no. Street number and name / PO Box, RR | | |
| 320 QUEEN ST | P.O. BOX 70 | |
| City | Province/Territory | Postal code |
| CHATHAM | ON | N7M 5K2 |

Part 2 Authorize the release of information to a representative

| | | |
|---|--------------------|----------------|
| Name of representative (If a firm, name of firm.) | Phone number | Fax number |
| Last | First | |
| Deloitte & Touche LLP | (519) 650-7600 | (519) 650-7601 |
| Mailing address | | |
| Apt./Suite/Unit no. Street number and name / PO Box, RR | | |
| 4210 King Street East | | |
| City | Province/Territory | Postal code |
| Kitchener | ON | N2P 2G5 |

If your representative is a firm, and you want a specific person in the firm to represent you, state their name and title.
If you do not identify a specific individual in the firm, you are authorizing the Ministry of Finance to deal with anyone from that firm.

| | |
|------------------------|-------|
| Name of person in firm | Title |
| it | First |

Part 3 Authorization scope and applicable years

| | |
|--|---|
| <input checked="" type="checkbox"/> Representative to deal fully on your behalf with the Ministry of Finance. | <input checked="" type="checkbox"/> Representative to act for all years , including all previous and future years. |
| or | |
| <input type="checkbox"/> Representative to deal in a limited manner on your behalf, for matters specified here. (e.g., account inquiry, applications, annual returns, payments, etc.) ▼ | <input type="checkbox"/> Representative to act for specific year or years (describe). ▼ |

Part 4 Cancel the release of information to a representative

| | |
|--|-------|
| Name of representative (If a firm, name of firm.) | |
| Last | First |
| If your representative is an individual within a firm, state their name and title. | |
| Name of person in firm | Title |
| Last | First |

Part 5 Signature *This form will not be accepted unless it is completed fully, signed and dated.*

- I authorize the Ministry of Finance to:
- release confidential information about the tax accounts specified in Part 1 and to deal with the representative named in Part 2 in the manner described in Part 3; and/or
 - cancel an existing authorization as described in Part 4.

| | | |
|-------------|-------------------------------------|----------------|
| Name | Title / Relationship to Corporation | Phone number |
| Last | First | |
| DAVE KENNEY | PRESIDENT | (519) 352-6300 |
| Signature | | Date |
| | | 2006-06-30 |

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**T2 CORPORATION INCOME TAX RETURN****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 *T2 Corporation - Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start."

055 Do not use this area**Identification****Business Number (BN)** **001** 86570 1635 RC0001**Corporation's name****002** MIDDLESEX POWER DISTRIBUTION CORPORATIONHas the corporation changed its name since the last time we were notified? **003** 1 Yes ☐ 2 No ☒If Yes, do you have a copy of the articles of amendment? ... **004** 1 Yes ☐ 2 No ☐**Address of head office**Has the address changed since the last time we were notified? **010** 1 Yes ☒ 2 No ☐**011** 320 QUEEN ST**012** P.O. BOX 70

City

Province, territory, or state

015 CHATHAM**016** ON

Country (other than Canada)

Postal code/Zip code

017**018** N7M 5K2**Mailing address (if different from head office address)**Has the address changed since the last time we were notified? **020** 1 Yes ☐ 2 No ☒**021** c/o**022****023**

City

Province, territory, or state

025**026**

Country (other than Canada)

Postal code/Zip code

027**028****Location of books and records**Has the location of books and records changed since the last time we were notified? **030** 1 Yes ☒ 2 No ☐**031** 320 QUEEN ST**032** P.O. BOX 70

City

Province, territory, or state

035 CHATHAM**036** ON

Country (other than Canada)

Postal code/Zip code

037**038** N7M 5K2**040 Type of corporation at the end of the taxation year**

- 1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation
- 2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)
- 3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change **043** YYYY MM DD**To which taxation year does this return apply?**

Taxation year start

Taxation year end

060 2005-07-01**061** 2005-12-31

YYYY MM DD

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☐ 2 No ☒If Yes, provide the date control was acquired **065** YYYY MM DD**Is the corporation a professional corporation that is a member of a partnership?****067** 1 Yes ☐ 2 No ☒**Is this the first year of filing after:**Incorporation? **070** 1 Yes ☐ 2 No ☒Amalgamation? **071** 1 Yes ☐ 2 No ☒

If Yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year?**072** 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24.

Is this the final taxation year before amalgamation?**076** 1 Yes ☐ 2 No ☒**Is this the final return up to dissolution?****078** 1 Yes ☐ 2 No ☒**Is the corporation a resident of Canada?****080** 1 Yes ☒ 2 No ☐ If No, give the country of residence on line 081 and complete and attach Schedule 97.**081****Is the non-resident corporation claiming an exemption under an income tax treaty?****082** 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085** 1 ☐ Exempt under paragraph 149(1)(e) or (l)
- 2 ☐ Exempt under paragraph 149(1)(j)
- 3 ☐ Exempt under paragraph 149(1)(t)
- 4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091**092****093****094****095****096**

Attachments**Financial statement information:** Use GIFI schedules 100, 125, and 141.**Schedules** – Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.

| | Yes | Schedule |
|--|-------------------------------------|----------|
| Is the corporation related to any other corporations? | <input checked="" type="checkbox"/> | 9 |
| Does the corporation have any non-resident shareholders? | <input type="checkbox"/> | 19 |
| Is the corporation an associated Canadian-controlled private corporation? | <input checked="" type="checkbox"/> | 23 |
| Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit? | <input type="checkbox"/> | 49 |
| 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 | <input type="checkbox"/> | 11 |
| 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? | <input type="checkbox"/> | 44 |
| Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? | <input type="checkbox"/> | 14 |
| Is the corporation claiming a deduction for payments to a type of employee benefit plan? | <input type="checkbox"/> | 15 |
| Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989? | <input type="checkbox"/> | T5004 |
| Is the corporation a member of a partnership for which a partnership identification number has been assigned? | <input type="checkbox"/> | T5013 |
| 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? | <input type="checkbox"/> | 22 |
| Did the corporation have any foreign affiliates during the year? | <input type="checkbox"/> | 25 |
| Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ? | <input type="checkbox"/> | 29 |
| Has the corporation had any non-arm's length transactions with a non-resident? | <input type="checkbox"/> | T106 |
| Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? | <input type="checkbox"/> | |
| For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? | <input checked="" type="checkbox"/> | 50 |
| Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? | <input checked="" type="checkbox"/> | 1 |
| Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property? | <input type="checkbox"/> | 2 |
| Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund? | <input type="checkbox"/> | 3 |
| Is the corporation claiming any type of losses? | <input type="checkbox"/> | 4 |
| Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? | <input type="checkbox"/> | 5 |
| Has the corporation realized any capital gains or incurred any capital losses during the taxation year? | <input type="checkbox"/> | 6 |
| i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax? | <input type="checkbox"/> | 7 |
| Does the corporation have any property that is eligible for capital cost allowance? | <input checked="" type="checkbox"/> | 8 |
| Does the corporation have any property that is eligible capital property? | <input checked="" type="checkbox"/> | 10 |
| Does the corporation have any resource-related deductions? | <input type="checkbox"/> | 12 |
| Is the corporation claiming reserves of any kind? | <input checked="" type="checkbox"/> | 13 |
| Is the corporation claiming a patronage dividend deduction? | <input type="checkbox"/> | 16 |
| Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction? | <input type="checkbox"/> | 17 |
| Is the corporation an investment corporation or a mutual fund corporation? | <input type="checkbox"/> | 18 |
| Was the corporation carrying on business in Canada as a non-resident corporation? | <input type="checkbox"/> | 20 |
| Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits? | <input type="checkbox"/> | 21 |
| Is the corporation a non-resident-owned investment corporation claiming an allowable refund? | <input type="checkbox"/> | 26 * |
| Does the corporation have any Canadian manufacturing and processing profits? | <input type="checkbox"/> | 27 |
| Is the corporation claiming an investment tax credit? | <input type="checkbox"/> | 31 |
| Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? | <input type="checkbox"/> | T661 |
| Is the corporation subject to gross Part I.3 tax? | <input checked="" type="checkbox"/> | 33/34/35 |
| Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax? | <input checked="" type="checkbox"/> | 36 |
| Is the corporation claiming a surtax credit? | <input type="checkbox"/> | 37 |
| Is the corporation subject to gross Part VI tax on capital of financial institutions? | <input type="checkbox"/> | 38 |
| Is the corporation claiming a Part I tax credit? | <input type="checkbox"/> | 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? | <input type="checkbox"/> | 43 |
| Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? | <input type="checkbox"/> | 45 |
| Is the corporation subject to Part II - Tobacco Manufacturers' surtax? | <input type="checkbox"/> | 46 |
| 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? | <input type="checkbox"/> | 39 |
| Is the corporation claiming a Canadian film or video production tax credit refund? | <input type="checkbox"/> | T1131 |
| Is the corporation claiming a film or video production services tax credit refund? | <input type="checkbox"/> | T1177 |
| Is the corporation subject to Part XIII.1 tax? | <input type="checkbox"/> | 92 * |

* We do not print this schedule.

Attachments – continued from page 2

| | | Yes | Schedule |
|--|-----|--------------------------|----------|
| Did the corporation have any foreign affiliates that are not controlled foreign affiliates? | 256 | <input type="checkbox"/> | T1134-A |
| Did the corporation have any controlled foreign affiliates? | 258 | <input type="checkbox"/> | T1134-B |
| Did the corporation own specified foreign property in the year with a cost amount over \$100,000? | 259 | <input type="checkbox"/> | T1135 |
| Did the corporation transfer or loan property to a non-resident trust? | 260 | <input type="checkbox"/> | T1141 |
| Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year? | 261 | <input type="checkbox"/> | T1142 |
| Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada? | 262 | <input type="checkbox"/> | T1145 |
| Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? | 263 | <input type="checkbox"/> | T1146 |
| Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED? | 264 | <input type="checkbox"/> | T1174 |

Additional information

| | | | |
|--|-----|--------------------------------|--|
| Is the corporation inactive? | 280 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) | 281 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |

What is the corporation's major business activity? **282**
(Only complete if Yes was entered at line 281.)

If the major business activity involves the resale of goods, show whether it is wholesale or retail **283** 1 Wholesale ☐ 2 Retail ☐

| | | | | |
|--|------------|-------------------------|------------|-----------|
| Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents. | 284 | ELECTRICAL DISTRIBUTION | 285 | 100.000 % |
| | 286 | | 287 | % |
| | 288 | | 289 | % |

| | | | |
|--|-----|--------------------------------|--|
| Did the corporation immigrate to Canada during the taxation year? | 291 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |
| Did the corporation emigrate from Canada during the taxation year? | 292 | 1 Yes <input type="checkbox"/> | 2 No <input checked="" type="checkbox"/> |

taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL. **300** 357,111 A

| | | |
|---|------------|----------|
| Deduct: Charitable donations from Schedule 2 | 311 | |
| Gifts to Canada, a province, or a territory from Schedule 2 | 312 | |
| Cultural gifts from Schedule 2 | 313 | |
| Ecological gifts from Schedule 2 | 314 | |
| Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 | 320 | |
| Part VI.1 tax deduction from Schedule 43 * | 325 | |
| Non-capital losses of preceding taxation years from Schedule 4 | 331 | |
| Net capital losses of preceding taxation years from Schedule 4 | 332 | |
| Restricted farm losses of preceding taxation years from Schedule 4 | 333 | |
| Farm losses of preceding taxation years from Schedule 4 | 334 | |
| Limited partnership losses of preceding taxation years from Schedule 4 | 335 | |
| Taxable capital gains or taxable dividends allocated from a central credit union | 340 | |
| Prospector's and grubstaker's shares | 350 | |
| | Subtotal | B |

| | | |
|--|------------|-----------|
| Subtotal (amount A minus amount B) (if negative, enter "0") | 355 | 357,111 C |
| Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions | | D |

Taxable income (amount C plus amount D) **360** 357,111

| | | |
|--|------------|-----------|
| Income exempt under paragraph 149(1)(t) | 370 | |
| Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) | | 357,111 Z |

This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the taxation year**

| | | | |
|---|-----|---------|---|
| Income from active business carried on in Canada from Schedule 7 | 400 | 357,111 | A |
| able income from line 360 on page 3, minus 10/3 of the amount on line 632* on page 7, minus 3 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax | 405 | 357,111 | B |

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

| | | | | |
|----------------------------------|---|--|-----|-------------|
| 225,000 | x | Number of days in the taxation year in 2003 | = | 1 |
| | | Number of days in the taxation year | 184 | |
| 250,000 | x | Number of days in the taxation year in 2004 | = | 2 |
| | | Number of days in the taxation year | 184 | |
| 300,000 | x | Number of days in the taxation year after 2004 | 184 | = 300,000 3 |
| | | Number of days in the taxation year | 184 | |
| Add amounts at lines 1, 2, and 3 | | | | 300,000 4 |

Business limit (see notes 1 and 2 below) **410** C

- Notes:**
- For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.
 - For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C \times **415** *** D = 11,250

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") **425** F**Small business deduction** — 16.00 % of whichever amount is the least: A, B, C, or F **430** G

(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporate tax reductions under section 123.4.

***** Large corporation tax**

- The large corporation tax to be entered on line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to $0.225\% \times$ (taxable capital employed in Canada **minus** \$10,000,000).
- If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction**Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction**

Reduced business limit (amount from line 425) \times $\frac{300,000}{\text{line 4 above}}$ = A

Net active business income (amount from line 400) * 357,111 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 357,111 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) D

Amount C **minus** amount D (if negative, enter "0") 357,111 \blacktriangleright 357,111 E

Amount A, B, or E above, whichever is less F

Amount Z from Part 9 of Schedule 27 \times $\frac{100}{7}$ = G

Amount QQ from Part 13 of Schedule 27 H

Taxable resource income (amount from line 435 of page 5) I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less K

Total of amounts G, H, I, J, and K \blacktriangleright LAmount F **minus** amount L (if negative, enter "0") M**Accelerated tax reduction** — 7.00 % of amount M (enter amount N on line 637 of page 7) N

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

| | | | | | |
|--|---|--|-------------|------------|---|
| Taxable resource income [as defined in subsection 125.11(1)] | | | | 435 | A |
| Amount A | x | Number of days in the taxation year in 2004 | x 2 % = | | B |
| | | Number of days in the taxation year | 184 | | |
| Amount A | x | Number of days in the taxation year in 2005 | 184 x 3 % = | | C |
| | | Number of days in the taxation year | 184 | | |
| Amount A | x | Number of days in the taxation year in 2006 | x 5 % = | | D |
| | | Number of days in the taxation year | 184 | | |
| Amount A | x | Number of days in the taxation year after 2006 | x 7 % = | | E |
| | | Number of days in the taxation year | 184 | | |
| Resource deduction – total of amounts B, C, D, and E (enter amount F on line 10 of page 7) | | | | 438 | F |

General tax reduction for Canadian-controlled private corporations**Canadian-controlled private corporations throughout the taxation year**

| | | | | | |
|--|-------------|--|-------------|--------|---|
| Taxable income from line 360 on page 3 | | 357,111 | A | | |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | B | | |
| Amount QQ from Part 13 of Schedule 27 | | | C | | |
| Taxable resource income from line 435 above | | | D | | |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | E | | |
| Amount on line 400, 405, 410, or 425 on page 4, whichever is the least | | | F | | |
| Aggregate investment income from line 440 of page 6 | | | G | | |
| Amount used to calculate the accelerated tax reduction (amount M of page 4) | | | H | | |
| Total of amounts B, C, D, E, F, G, and H | | | I | | |
| Amount A minus amount I (if negative, enter "0") | | 357,111 | J | | |
| Amount J | 357,111 x | Number of days in the taxation year after 2003 | 184 x 7 % = | 24,998 | K |
| | | Number of days in the taxation year | 184 | | |
| General tax reduction for Canadian-controlled private corporations – amount K (enter amount L on line 638 of page 7) | | | | 24,998 | L |

General tax reduction**Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation**

| | | | | | |
|---|-------------|--|-------------|--|---|
| Taxable income from line 360 on page 3 | | | M | | |
| Amount Z from Part 9 of Schedule 27 | x 100 / 7 = | | N | | |
| Amount QQ from Part 13 of Schedule 27 | | | O | | |
| Taxable resource income from line 435 above | | | P | | |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | Q | | |
| Total of amounts N, O, P, and Q | | | R | | |
| Amount M minus amount R (if negative, enter "0") | | | S | | |
| Amount S | x | Number of days in the taxation year after 2003 | 184 x 7 % = | | T |
| | | Number of days in the taxation year | 184 | | |
| General tax reduction – amount T (enter amount U on line 639 of page 7) | | | | | U |

Refundable portion of Part I tax**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 % = B
(amount O from Part 1 of Schedule 7) (if negative, enter "0")

Amount A **minus** amount B (if negative, enter "0") C

Taxable income from line 360 on page 3 **357,111**

Deduct:

Amount on line 400, 405, 410, or 425 on page 4,
whichever is the least

Foreign non-business
income tax credit from
line 632 of page 7 x 25 / 9 =

Foreign business income
tax credit from line 636
of page 7 x 3 =

357,111
x 26 2 / 3 % = **95,230** D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 8) **78,993**

Deduct: Corporate surtax from line 600 of page 7 **4,000**

Net amount **74,993** **74,993** E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least **450** F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year **460**

Deduct: Dividend refund for the previous taxation year **465** G

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor
corporation on amalgamation, or from a wound-up subsidiary corporation **480** H

Refundable dividend tax on hand at the end of the taxation year – Amount G **plus** amount H **485**

Dividend refund**Private and subject corporations at the time taxable dividends were paid in the taxation year**

Taxable dividends paid in the taxation year from line 460 of Schedule 3 x 1 / 3 I

Refundable dividend tax on hand at the end of the taxation year from line 485 above J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8)

Part I tax

Base amount of Part I tax — 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 **550** 135,702 A

Corporate surtax calculation

Base amount from line A above 135,702 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) from page 3 35,711 2

Investment corporation deduction from line 620 below 3

Federal logging tax credit from line 640 below 4

Federal qualifying environmental trust tax credit from line 648 below 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 of page 3 a

28.00 % of taxed capital gains b 6

Part I tax otherwise payable c

(line A **plus** lines C and D **minus** line F)

Total of lines 2 to 6 35,711 7

Net amount (line 1 **minus** line 7) 99,991 8

Corporate surtax — 4.00 % of the amount on line 8 **600** 4,000 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 **602** C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 i

Taxable income from line 360 on page 3 357,111

Deduct:

Amount on line 400, 405, 410, or 425 of page 4,
whichever is the least 357,111

Net amount 357,111 ii

Refundable tax on CCPC's investment income — 6 2 / 3 % of whichever is less: amount i or ii **604** D

Subtotal (add lines A, B, C, and D) 139,702 E

Deduct:

Small business deduction from line 430 of page 4 9

Federal tax abatement **608** 35,711

Manufacturing and processing profits deduction from amount BB
or amount RR of Schedule 27 **616**

Investment corporation deduction **620**

(taxed capital gains **624**)

Additional deduction — credit unions from Schedule 17 **628**

Federal foreign non-business income tax credit from Schedule 21 **632**

Federal foreign business income tax credit from Schedule 21 **636**

Accelerated tax reduction from amount N on page 4 **637**

Resource deduction from line 438 on page 5 10

General tax reduction for CCPCs from amount L on page 5 **638** 24,998

General tax reduction from amount U on page 5 **639**

Federal logging tax credit from Schedule 21 **640**

Federal political contribution tax credit **644**

Federal political contributions **646**

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 **652**

Apprenticeship job creation tax credit 11

Subtotal 60,709 F

Part I tax payable — Line E **minus** line F (enter amount G on line 700 of page 8) 78,993 G

Summary of tax and credits**Federal tax**

| | | |
|--|-----|---------------|
| Part I tax payable from page 7 | 700 | 78,993 |
| Part I.3 tax payable from Schedule 33, 34, or 35 | 704 | |
| Part II surtax payable from Schedule 46 | 708 | |
| Part IV tax payable from Schedule 3 | 712 | |
| Part IV.1 tax payable from Schedule 43 | 716 | |
| Part VI tax payable from Schedule 38 | 720 | |
| Part VI.1 tax payable from Schedule 43 | 724 | |
| Part XIII.1 tax payable from Schedule 92 | 727 | |
| Part XIV tax payable from Schedule 20 | 728 | |
| Total federal tax | | 78,993 |

Add provincial or territorial tax:

| | | |
|---|------------|-----------------|
| Provincial or territorial jurisdiction | 750 | Ontario |
| (if more than one jurisdiction, enter "multiple" and complete Schedule 5) | | |
| Net provincial or territorial tax payable (except Québec, Ontario, and Alberta) | 760 | |
| Provincial tax on large corporations (New Brunswick and Nova Scotia) | 765 | |
| Total tax payable | 770 | 78,993 A |

Deduct other credits:

| | | |
|--|------------|-----------------|
| Investment tax credit refund from Schedule 31 | 780 | |
| Dividend refund from page 6 | 784 | |
| Federal capital gains refund from Schedule 18 | 788 | |
| Federal qualifying environmental trust tax credit refund | 792 | |
| Canadian film or video production tax credit refund (Form T1131) | 796 | |
| Film or video production services tax credit refund (Form T1177) | 797 | |
| Tax withheld at source | 800 | |
| Total payments on which tax has been withheld | 801 | |
| Allowable refund for non-resident-owned investment corporations from Schedule 26 | 804 | |
| Provincial and territorial capital gains refund from Schedule 18 | 808 | |
| Provincial and territorial refundable tax credits from Schedule 5 | 812 | |
| Royalties deductible under Syncrude Remission Order | 815 | |
| Tax remitted under Syncrude Remission Order | 816 | |
| Tax instalments paid | 840 | 78,993 |
| Total credits | 890 | 78,993 B |

Refund code **894** Overpayment

Balance (line A minus line B)

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information **910** Branch number

914 Institution number **918** Account number

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

Enclosed payment **898**

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due?

896 1 Yes ☐ 2 No ☒**Certification**

I, **950** KENNEY Last name **951** DAVE First name **954** PRESIDENT Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2006-06-30

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (519) 352-6300

Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes ☐ 2 No ☒**958** JIM HOGAN

Name

959 (519) 352-6300

Telephone number

Language of correspondence – Langue de correspondance

990 Indicate the language in which you would like to receive correspondence.
Indiquer la langue de correspondance de votre choix.

1 English / Anglais ☒ 2 Français / French ☐

Canada Customs
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et du revenu du Canada**SCHEDULE 141****NOTES CHECKLIST**

| | | |
|---|---|--|
| Corporation's name MIDDLESEX POWER DISTRIBUTION CORPORATION | Business Number 86570 1635 RC0001 | Taxation year end Year Month Day 2005-12-31 |
|---|---|--|

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation? **095** 1 Yes ☒ 2 No ☐

Is the accounting practitioner connected* with the corporation? **097** 1 Yes ☐ 2 No ☒

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note

If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: **198**

| | | |
|--------------------------------------|----------|-------------------------------------|
| Completed an auditor's report | 1 | <input checked="" type="checkbox"/> |
| Completed a review engagement report | 2 | <input type="checkbox"/> |
| Conducted a compilation engagement | 3 | <input type="checkbox"/> |

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation? **099** 1 Yes ☐ 2 No ☒

Part 4 – Other information

Were notes to the financial statements prepared? **101** 1 Yes ☒ 2 No ☐

If Yes, complete lines 102 to 107 below:

| | | |
|--|------------|---|
| Are any values presented at other than cost? | 102 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Has there been a change in accounting policies since the last return? | 103 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Are subsequent events mentioned in the notes? | 104 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Is re-evaluation of asset information mentioned in the notes? | 105 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Is contingent liability information mentioned in the notes? | 106 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Is information regarding commitments mentioned in the notes? | 107 | 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/> |
| Does the corporation have investments in joint venture(s) or partnership(s)? | 108 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |

If Yes, complete line 109 below:

| | | |
|--|------------|--|
| Are you filing financial statements of the joint venture(s) or partnership(s)? | 109 | 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> |
|--|------------|--|

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SCHEDULE 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

| | | |
|--|-------------------|-------------------------------------|
| Corporation's name | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

| | | | |
|---|-----|-----------|-----------|
| Net income (loss) after taxes and extraordinary items per financial statements | | 127,229 | A |
| Add: | | | |
| Amortization of tangible assets | 104 | 224,967 | |
| Non-deductible meals and entertainment expenses | 121 | 2,500 | |
| Reserves from financial statements – balance at the end of the year | 126 | 950,854 | |
| Subtotal of additions | | 1,178,321 | 1,178,321 |
| Other additions: | | | |
| Miscellaneous other additions: | | | |
| Subtotal of other additions | 199 | 0 | 0 |
| Total additions | 500 | 1,178,321 | 1,178,321 |
| Deduct: | | | |
| Capital cost allowance from Schedule 8 | 403 | 200,009 | |
| Cumulative eligible capital deduction from Schedule 10 | 405 | 12,286 | |
| Tax reserves claimed in current year from Schedule 13 | 413 | 148,929 | |
| Subtotal of deductions | | 361,224 | 361,224 |
| Other deductions: | | | |
| Miscellaneous other deductions: | | | |
| 700 Closing adjustment for regulatory costs | 390 | 587,215 | |
| Subtotal of other deductions | 499 | 587,215 | 587,215 |
| Total deductions | 510 | 948,439 | 948,439 |
| Net income (loss) for income tax purposes – enter on line 300 of the T2 return | | 357,111 | |

Attached Schedule with Total

Line 390 – Amount for line 700

Title Line 390 – Amount for line 700

| Description | Amount |
|-----------------------------------|-------------------|
| Transition Costs | 199,769 00 |
| RSVA expenses | 343,517 00 |
| Other deferred costs | 129,747 00 |
| Conservation and demand Managment | -85,818 00 |
| Total | 587,215 00 |

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SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

| | | |
|--|-------------------|-------------------------------------|
| Name of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

| 1 Class number | 2 Undepreciated capital cost at the beginning of the year | 3 Cost of acquisitions during the year* | 4 Net adjustments | 5 Proceeds of dispositions during the year (amount not to exceed the capital cost) | 6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5) | 7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)** | 8 Reduced undepreciated capital cost (column 6 minus column 7) | 9 CCA rate % | 10 Recapture of capital cost allowance (amount on line 107 of Schedule 1) | 11 Terminal loss (amount on line 404 of Schedule 1) | 12 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) (amount on line 403 of Schedule 1)*** | 13 Undepreciated capital cost at the end of the year (column 6 minus column 12) |
|----------------------|---|---|----------------------|--|--|---|--|-----------------------|---|---|---|---|
| 200 | 201 | 203 | 205 | 207 | | 211 | | 212 | 213 | 215 | 217 | 220 |
| 1 | 1 | 4,270,267 | 154,665 | 0 | 4,424,932 | 77,333 | 4,347,599 | 4 | 0 | 0 | 87,667 | 4,337,265 |
| 2 | 2 | 2,790,659 | | 0 | 2,790,659 | | 2,790,659 | 6 | 0 | 0 | 84,408 | 2,706,251 |
| 3 | 8 | 85,210 | 13,368 | 0 | 98,578 | 6,684 | 91,894 | 20 | 0 | 0 | 9,265 | 89,313 |
| 4 | 10 | 119,910 | | 0 | 119,910 | | 119,910 | 30 | 0 | 0 | 18,134 | 101,776 |
| 5 | 45 | | 4,717 | 0 | 4,717 | 2,359 | 2,358 | 45 | 0 | 0 | 535 | 4,182 |
| Total | | 7,266,046 | 172,750 | | 7,438,796 | 86,376 | 7,352,420 | | | | 200,009 | 7,238,787 |

* Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

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

*** If the taxation year is shorter than 365 days, prorate the CCA claim.

See the *T2 Corporation Income Tax Guide* for more information.

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return

Tax return

| | | | |
|--|---|---------|---------|
| Additions for tax purposes – Schedule 8 regular classes | | 172,750 | |
| Additions for tax purposes – Schedule 8 leasehold improvements | + | | |
| Operating leases capitalized for book purposes | + | | |
| Capital gain deferred | + | | |
| Recapture deferred | + | | |
| Deductible expenses capitalized for book purposes – Schedule 1 | + | | |
| | + | | |
| Total additions per books | = | 172,750 | 172,750 |
| Proceeds up to original cost – Schedule 8 regular classes | | | |
| Proceeds up to original cost – Schedule 8 leasehold improvements | + | | |
| Proceeds in excess of original cost – capital gain | + | | |
| Recapture deferred – as above | + | | |
| Capital gain deferred – as above | + | | |
| Pre V-day appreciation | + | | |
| rounding | + | -1 | |
| Total proceeds per books | = | -1 | -1 |
| Depreciation and amortization per accounts – Schedule 1 | - | | 224,967 |
| Loss on disposal of fixed assets per accounts | - | | |
| Gain on disposal of fixed assets per accounts | + | | |
| Net change per tax return | = | | -52,216 |

Financial statements

Fixed assets (excluding land) per financial statements

| | | |
|-------------------------------------|---|-----------|
| Closing net book value | | 6,223,589 |
| Opening net book value | - | 6,275,805 |
| Net change per financial statements | = | -52,216 |

If the amounts from the tax return and the financial statements differ, explain why below

RELATED AND ASSOCIATED CORPORATIONS

| | | |
|--|-------------------|-------------------------------------|
| ne of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

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

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

| | Name | Country of resi- dence (if other than Canada) | Business Number (Canadian corporation only) (see note 1) | Rela- tion- ship code (see note 2) | Number of common shares owned | % of common shares owned | Number of preferred shares owned | % of preferred shares owned | Book value of capital stock |
|----|------------------------------------|--|---|---|-------------------------------------|-----------------------------------|--|--------------------------------------|--------------------------------|
| | 100 | 200 | 300 | 400 | 500 | 550 | 600 | 650 | 700 |
| 1. | CHATHAM-KENT HYDRO INC | | 89429 0014 RC0001 | 3 | | | | | |
| 2. | CHATHAM-KENT ENERGY INC | | 89428 6012 RC0001 | 1 | | | | | |
| 3. | THE CORPORATION OF THE MUNIC | | 86633 7058 RC0001 | 1 | | | | | |
| 4. | Chatham-Kent Utility Services Inc. | | 86356 0967 RC0001 | 3 | | | | | |

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1 – Parent 2 – Subsidiary 3 – Associated 4 – Related, but not associated.

Canada Customs
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et du revenu du Canada**SCHEDULE 10****CUMULATIVE ELIGIBLE CAPITAL DEDUCTION**

| | | |
|--|-------------------|-------------------------------------|
| Name of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

| | | | |
|---|--------------------|------------|--------------|
| Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0") | 200 | 348,170 | A |
| Add: Cost of eligible capital property acquired during the taxation year | 222 | | |
| Other adjustments | 226 | | |
| Subtotal (line 222 plus line 226) | | x 3 / 4 = | B |
| Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002 | 228 | x 1 / 2 = | C |
| amount B minus amount C (if negative, enter "0") | | | D |
| Amount transferred on amalgamation or wind-up of subsidiary | 224 | | E |
| Subtotal (add amounts A, D, and E) | 230 | 348,170 | F |
| Deduct: Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year | 242 | | G |
| The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) | 244 | | H |
| Other adjustments | 246 | | I |
| (add amounts G, H, and I) | | x 3 / 4 = | 248 J |
| Cumulative eligible capital balance (amount F minus amount J) | | 348,170 | K |
| (if amount K is negative, enter "0" at line M and proceed to Part 2) | | | |
| Cumulative eligible capital for a property no longer owned after ceasing to carry on that business | 249 | | |
| amount K | | 348,170 | |
| less amount from line 249 | | | |
| Current year deduction | 348,170 x 7.00 % = | 250 | 12,286 * |
| (line 249 plus line 250) (enter this amount at line 405 of Schedule 1) | | 12,286 | L |
| Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0") | 300 | 335,884 | M |

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**SCHEDULE 13****CONTINUITY OF RESERVES**

| | | |
|--|-------------------|-------------------------------------|
| Name of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 – Capital gains reserves

| Description of property | Balance at the beginning of the year \$ | Transfer on amalgamation or wind-up of subsidiary \$ | Add \$ | Deduct \$ | Balance at the end of the year \$ |
|-------------------------|--|--|-----------|--------------|---|
| 001 | 002 | 003 | | | 004 |
| 1 | | | | | |
| | 008 | 009 | | | 010 |
| Totals | | | | | |

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Financial statement reserves (not deductible)

| Description | Balance at the beginning of the year | Transfer on amalgamation or wind-up of subsidiary | Add | Deduct | Balance at the end of the year |
|----------------------------------|--|--|---------|--------|-----------------------------------|
| 1 EMPLOYEE FUTURE BENEFITS | | | 37,293 | | 37,293 |
| 2 REGULATORY REVENUE PAYAB | | | 380,600 | | 380,600 |
| 3 REGULATORY ASSET RECOVER | | | 469,850 | | 469,850 |
| 4 | | | | | |
| Reserves from Section 2 below | | | 63,111 | | 63,111 |
| Totals | | | 950,854 | | 950,854 |

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

Part 2 – Other reserves

| Description | Balance at the beginning of the year \$ | Transfer on amalgamation or wind-up of subsidiary \$ | Add \$ | Deduct \$ | Balance at the end of the year \$ |
|--|---|--|---------|-----------|-----------------------------------|
| | 110 | 115 | | | 120 |
| Reserve for doubtful debts <input checked="" type="checkbox"/> | | | 63,111 | | 63,111 |
| Reserve for undelivered goods and services not rendered <input type="checkbox"/> | 130 | 135 | 85,818 | | 140 85,818 |
| Reserve for prepaid rent <input type="checkbox"/> | 150 | 155 | | | 160 |
| Reserve for December 31, 1995 income <input type="checkbox"/> | 170 | 175 | | | 180 |
| Reserve for refundable containers <input type="checkbox"/> | 190 | 195 | | | 200 |
| Reserve for unpaid amounts <input type="checkbox"/> | 210 | 215 | | | 220 |
| Insurance corporation policy reserves <input type="checkbox"/> | | | | | |
| Bank reserves <input type="checkbox"/> | | | | | |
| Other tax reserves <input type="checkbox"/> | 230 | 235 | | | 240 |
| Totals | 270 | 275 | 148,929 | | 280 148,929 |

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Part 2 – Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

| | | | | | |
|--|----------|-----------|---|---|---|
| Amount from line K (show as positive amount) | | | | | N |
| Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988 | 400 | | 1 | | |
| Total of all amounts which reduced CEC in the current or prior years under subsection 80(7) | 401 | | 2 | | |
| Total of CEC deductions claimed for taxation years beginning before July 1, 1988 | 402 | | 3 | | |
| Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 | 408 | | 4 | | |
| Line 3 minus line 4 (if negative, enter "0") | | ▶ | | 5 | |
| Total of lines 1, 2 and 5 | | | | 6 | |
| Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400 | | | 7 | | |
| Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000 | | | 8 | | |
| Subtotal (line 7 plus line 8) | 409 | ▶ | | 9 | |
| Line 6 minus line 9 (if negative, enter "0") | | | | ▶ | O |
| Line N minus line O (if negative, enter "0") | | | | | P |
| | Line 5 | x 1 / 2 = | | | Q |
| Line P minus line Q (if negative, enter "0") | | | | | R |
| | Amount R | x 2 / 3 = | | | S |
| Amount N or amount O, whichever is less | | | | | T |
| Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1) | 410 | | | | |

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**SCHEDULE 23****AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO
ALLOCATE THE BUSINESS LIMIT**

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

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

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

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

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

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from \$200,001 to \$225,000, if the calendar year to which this agreement applies is 2003;
- from \$225,001 to \$250,000, if the calendar year to which this agreement applies is 2004; or
- from \$250,001 to \$300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed \$300,000.

Allocation of the business limit

Date filed (do not use this area) **025** Year Month Day

Enter the calendar year to which the agreement applies **050** Year 2005

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 Yes ☐ 2 No ☒

| 1 Names of associated corporations | 2 Business Number of associated corporations | 3 Asso- ciation code | 4 Business limit for the year (before the allocation) \$ | 5 Percentage of the business limit % | 6 Business limit allocated* \$ |
|---|--|-------------------------------|--|---|--|
| 100 | 200 | 300 | | 350 | 400 |
| MIDDLESEX POWER DISTRIBUTION CORPORA | 86570 1635 RC0001 | 1 | 300,000 | | |
| 1 CHATHAM-KENT HYDRO INC | 89429 0014 RC0001 | 1 | 300,000 | 100.0000 | 300,000 |
| 2 CHATHAM-KENT ENERGY INC | 89428 6012 RC0001 | 1 | 300,000 | | |
| 3 THE CORPORATION OF THE MUNICIPALITY OF | 86633 7058 RC0001 | 1 | 300,000 | | |
| 4 Chatham-Kent Utility Services Inc. | 86356 0967 RC0001 | 1 | 300,000 | | |
| Total | | | | 100.0000 | 300,000 A |

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group*** of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part I.3 tax of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year. The gross Part I.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to $0.225\% \times (A - \$10,000,000)$ where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

*Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC has more than one taxation year ending in a calendar year and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

**"Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the *Income Tax Act*.

***The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**SCHEDULE 33****PART 1.3 TAX ON LARGE CORPORATIONS**

| | | |
|--|-------------------|-------------------------------------|
| ne of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

• This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part 1.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part 1.3 tax for the purposes of unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).

• Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act* and the *Income Tax Regulations*.

• Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."

• Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part 1.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.

• No Part 1.3 tax is payable for a taxation year by a corporation that was:

- 1) a non-resident-owned investment corporation throughout the year;
- 2) bankrupt [as defined by subsection 128(3)] at the end of the year;
- 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
- 4) exempt from tax under section 149 throughout the year on all of its taxable income;
- 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
- 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.

• File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.

• This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part 1.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 – Capital

Add the following amounts at the end of the year:

| | | |
|---|-----|-----------|
| Reserves that have not been deducted in computing income for the year under Part I | 101 | 887,743 |
| Capital stock (or members' contributions if incorporated without share capital) | 103 | 4,631,198 |
| Retained earnings | 104 | |
| Contributed surplus | 105 | |
| Any other surpluses | 106 | |
| Deferred unrealized foreign exchange gains | 107 | |
| All loans and advances to the corporation | 108 | 5,298,926 |
| All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations | 109 | |
| Any dividends declared but not paid by the corporation before the end of the year | 110 | |
| All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year | 111 | |

Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses

112
Subtotal 10,817,867

10,817,867 A

Deduct the following amounts:

| | | |
|--|----------|-----------|
| Deferred tax debit balance at the end of the year | 121 | |
| Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year | 122 | 1,366,544 |
| Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above | 123 | |
| The amount of deferred unrealized foreign exchange losses at the end of the year | 124 | |
| | Subtotal | 1,366,544 |

1,366,544 B

Capital for the year (amount A minus amount B) (if negative, enter "0")

190 9,451,323

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined under lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- Amounts owing to the member or to other corporations that are members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

| | | |
|---|------------|---------------|
| A share of another corporation | 401 | |
| • loan or advance to another corporation (other than a financial institution) | 402 | 43,886 |
| • bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution) | 403 | |
| Long-term debt of a financial institution | 404 | |
| A dividend receivable on a share of the capital stock of another corporation | 405 | |
| A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)) | 406 | |
| An interest in a partnership (see note 1 below) | 407 | |
| Investment allowance for the year | 490 | 43,886 |

Notes:

- Where the corporation has an interest in a partnership or tiered partnerships, consider the following:
 - the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
 - the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's taxation year; and
 - the carrying value of a partnership member's interest at the end of the year is its specified proportion [as defined in subsection 248(1)] of the partnership's investment allowance.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)].
- Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 – Taxable capital

| | | | |
|--|--|------------|------------------|
| Capital for the year (line 190) | | 9,451,323 | C |
| Deduct: Investment allowance for the year (line 490) | | 43,886 | D |
| Taxable capital for the year (amount C minus amount D) (if negative, enter "0") | | 500 | 9,407,437 |

Part 4 – Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

| | | | | | | | | | |
|---|-----------|---|---------------------------------|-----|---------|---|------------------------------------|-----|-----------|
| Taxable capital for the year (line 500) | 9,407,437 | x | Taxable income earned in Canada | 610 | 357,111 | = | Taxable capital employed in Canada | 690 | 9,407,437 |
| | | | Taxable income | | 357,111 | | | | |

- Notes:**
- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

| | |
|--|-----|
| Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada | 701 |
|--|-----|

Deduct the following amounts:

| | |
|---|-----|
| Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada | 711 |
|---|-----|

| | |
|--|-----|
| Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada | 712 |
|--|-----|

| | |
|--|-----|
| Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) | 713 |
|--|-----|

Total deductions (add lines 711, 712, and 713) E

| | |
|--|------------|
| Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0") | 790 |
|--|------------|

- Notes:** Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation of gross Part 1.3 tax

| | | |
|--|----------------|---|
| Taxable capital employed in Canada (line 690 or 790, whichever applies) | 9,407,437 | |
| Deduct: Capital deduction claimed for the year (enter \$50,000,000 or, for related corporations, the amount allocated on Schedule 36) | 801 22,000,000 | |
| Excess of taxable capital employed in Canada over capital deduction | 811 | |
| Line 811 \times Number of days in the taxation year before 2004 \times 0.00225000 = | 184 | F |
| Line 811 \times Number of days in the taxation year in 2004 \times 0.00200000 = | 184 | G |
| Line 811 \times Number of days in the taxation year in 2005 \times 0.00175000 = | 184 | H |
| Line 811 \times Number of days in the taxation year in 2006 = | 184 | I |
| Line 811 \times Number of days in the taxation year in 2007 = | 184 | J |
| Subtotal (add amounts F to J) | | K |
| Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part 1.3 tax as follows: | | |
| Amount K \times Number of days in the year (184) = | 365 | L |
| Gross Part 1.3 tax (amount K or L, whichever applies) | 820 | |

Part 6 – Calculation of gross Part 1.3 tax for purposes of the unused surtax credit

| | | |
|---|------------|-------------|
| Taxable capital employed in Canada (line 690 or 790, whichever applies) | 9,407,437 | M |
| Deduct: Line 801 above \times 1/5 = | 22,000,000 | N 4,400,000 |
| Excess (amount M minus amount N) (if negative, enter "0") | 5,007,437 | O |
| Amount O \times 0.00225 = | 11,267 | P |
| Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part 1.3 tax for purposes of the unused surtax credit as follows: | | |
| Amount P \times Number of days in the year (184) = | 11,267 | 5,680 Q |
| 365 | | |
| Gross Part 1.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) | 821 | 5,680 |

Part 7 – Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.

Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line R, whichever is less:

a) line 600 from the T2 return **a**
 b) line 700 from the T2 return **b** R

In any other case, enter amount **c** or **d** at line S, whichever is less:

c) line 600 from the T2 return 4,000 x $\frac{\text{line 690 of this schedule}}{\text{line 500 of this schedule}} = \frac{9,407,437}{9,407,437} = 4,000$ **c**
 d) line 700 from the T2 return 78,993 **d** 4,000 S

Current-year surtax credit available (amount R or S, whichever applies) **830** 4,000

Part 8 – Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830) 4,000
 Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821) 5,680

Current-year unused surtax credit (if negative, enter "0") **850**
 Enter this amount at line 600 on Schedule 37.

Part 9 – Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820) T
Deduct:
 Current-year surtax credit applied (line 820 or 830, whichever is less) **861**
 Unused surtax credit from previous years applied (amount from line 320 on Schedule 37) **862**
 Subtotal (cannot be more than amount on line 820) **870** U
Net Part I.3 tax payable (amount T minus amount U) **870**
 Enter this amount at line 704 of the T2 return.

Attached Schedule with Total

Part 2 – A loan or advance to another corporation (other than a financial institution)

Title Part 2 – A loan or advance to another corporation (other than a financial ir

| Description | Amount |
|--|-----------|
| Eligible amounts included in prepaid account | 43,886 00 |
| | |
| Total | 43,886 00 |

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**SCHEDULE 36****AGREEMENT AMONG RELATED CORPORATIONS – PART 1.3 TAX**

Members of a related group of corporations should use this schedule to allocate the capital deduction of \$50,000,000 among the members of the related group. **Do not file this agreement if no members of the related group have to pay Part 1.3 tax.**

- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Agreement

| | | | |
|--|-------|------------|---|
| Date filed (do not use this area) | ..... | 010 | Year Month Day |
| Is this an amended agreement? | ..... | 020 | 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> |
| Calendar year to which the agreement applies | ..... | 030 | Year 2005 |

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) does not have to be included.

| | Names of all corporations which are members of the related group 200 | Business Number (if a corporation is not registered, enter "NR") 300 | Allocation of capital deduction for the year \$ 400 | Taxation year end to which this agreement applies* (YYYY/MM/DD) 500 |
|---|---|--|---|---|
| | MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 22,000,000 | 2005-12-31 |
| 1 | CHATHAM-KENT HYDRO INC | 89429 0014 RC0001 | 26,000,000 | |
| 2 | CHATHAM-KENT ENERGY INC | 89428 6012 RC0001 | 500,000 | |
| 3 | THE CORPORATION OF THE MUNICIPALITY OF CHATHAM-KENT | 86633 7058 RC0001 | | |
| 4 | Chatham-Kent Utility Services Inc. | 86356 0967 RC0001 | 1,500,000 | |
| Total (cannot be more than \$50,000,000) | | | 50,000,000 | |

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**SCHEDULE 50****SHAREHOLDER INFORMATION**

| | | |
|--|-------------------|-------------------------------------|
| Name of corporation | Business Number | Taxation year end Year Month Day |
| MIDDLESEX POWER DISTRIBUTION CORPORATION | 86570 1635 RC0001 | 2005-12-31 |

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

| Provide only one number per shareholder | | | | | |
|--|-------------------|----------------------------|--------------|--------------------------------|-----------------------------------|
| Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust) | Business Number | Social Insurance Number | Trust Number | Percentage common shares | Percentage preferred shares |
| 100 | 200 | 300 | 350 | 400 | 500 |
| 1 CHATHAM-KENT ENERGY INC | 89428 6012 RC0001 | | | 100.000 | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |

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
PX5005

MIDDLESEX POWER DISTRIBUTION CORPORATION
C/O CHATHAM-KENT ENERGY INC
320 QUEEN ST
P.O. BOX 70
CHATHAM
N7M 5K2

ON

Remittance Advice - Payment-in-Lieu (PIL)

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

Taxation Year End: (YYYYMMDD)

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Payment Amount: \$

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Taxation Year End: (YYYYMMDD)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 2 | 0 | 0 | 5 | 1 | 2 | 3 | 1 |
|---|---|---|---|---|---|---|---|

-Payment Amount: \$

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Total Payment
Enclosed: \$

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|



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

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 & Corporations Tax Act, R.S.O. 1990
from 2005/07/01 to 2005/12/31

| Account No. | Reassessment Date (year, month, day) | Page |
|----------------|---|--------|
| 1800268 | 2008/03/12 | 1 of 2 |

MIDDLESEX POWER DISTRIBUTION CORPORATION

REASSESSMENT NO. 85 REPLACING ASSESSMENT DATED: 2006/10/30

Tax: Federal and Provincial PIL

Assessment Interest

Total Reassessment Liability

139,645.00

4,597.82

144,242.82

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

146,845.08CR

Sub-Total

146,845.08CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

2,602.26CR

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.

Adjustment to the computation of Total Tax payable.

Mathematical error in computation of Net Paid-up Capital.

Adjustment to the computation of Investment Allowance. Taxable Capital revised

Mathematical error in computation of Taxable Paid-up Capital.

Adjustment to the computation of Capital Tax.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

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

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Attachment 26
Ministry of Finance

Attachment 26**Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill****Ministry of Finance Summary**

| Period | Federal Tax | Provincial Tax | Provincial OCT | Total Tax | Assessment/ Re- assessment | Difference |
|---------------------|-------------|----------------|----------------|-----------|----------------------------------|------------|
| Oct1/01 to Dec31/01 | \$0 | \$0 | \$3,105 | \$3,105 | \$3,105 | \$0 |
| Jan1/02 to Dec31/02 | \$0 | \$0 | \$12,699 | \$12,699 | \$12,699 | \$0 |
| Jan1/03 to Dec31/03 | \$0 | \$0 | \$12,129 | \$12,129 | \$12,129 | \$0 |
| Jan1/04 to Dec31/04 | \$19,558 | \$8,199 | \$17,522 | \$45,279 | \$45,279 | \$0 |
| Jan1/05 to Jun30/05 | \$3,709 | \$1,555 | \$4,867 | \$10,131 | \$10,131 | \$0 |
| Jul1/05 to Dec31/05 | \$78,993 | \$49,996 | \$12,982 | \$141,971 | \$139,645 | -\$2,326 |

Attachment 27
Detailed Revenue Calculation

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
PILs Revenue Recovery Calculation

March 1, 2002 to December 31, 2002

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|----------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$1.73 | 5,823 | \$100,524 | \$0.0015 | 36,834,429 | \$53,410 | \$153,934 | | |
| GS<50 | \$2.25 | 698 | \$15,672 | \$0.0005 | 14,977,047 | \$6,740 | \$22,412 | | |
| GS>50 to 4,999 kW | \$5.50 | 90 | \$4,952 | \$0.1645 | 154,038 | \$25,335 | \$30,287 | | |
| Large Use | \$245.31 | 1 | \$2,453 | \$0.0351 | 50,725 | \$1,782 | \$4,236 | | |
| Street Lighting | \$0.09 | 1,958 | \$1,803 | \$0.3053 | 2,826 | \$863 | \$2,666 | | |
| Sentinel Lighting | \$0.12 | 46 | \$54 | \$0.5593 | 79 | \$44 | \$98 | | |
| | | 8,616 | \$125,458 | | 52,019,145 | \$88,174 | \$213,631 | \$21,363 | \$213,631 |

January 1, 2003 to December 31, 2003

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|----------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$1.73 | 5,879 | \$121,788 | \$0.0015 | 56,686,665 | \$82,196 | \$203,984 | | |
| GS<50 | \$2.25 | 683 | \$18,402 | \$0.0005 | 19,182,491 | \$8,632 | \$27,034 | | |
| GS>50 to 4,999 kW | \$5.50 | 90 | \$5,942 | \$0.1645 | 223,433 | \$36,748 | \$42,690 | | |
| Large Use | \$245.31 | 1 | \$2,944 | \$0.0351 | 77,840 | \$2,735 | \$5,679 | | |
| Street Lighting | \$0.09 | 1,958 | \$2,164 | \$0.3053 | 4,238 | \$1,294 | \$3,458 | | |
| Sentinel Lighting | \$0.12 | 46 | \$65 | \$0.5593 | 118 | \$66 | \$131 | | |
| | | 8,657 | \$151,305 | | 76,174,785 | \$131,671 | \$282,976 | \$23,581 | \$282,976 |

January 1, 2004 to March 31, 2004

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|----------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$1.73 | 5,985 | \$30,996 | \$0.0015 | 15,942,241 | \$23,116 | \$54,112 | | |
| GS<50 | \$2.25 | 688 | \$4,634 | \$0.0005 | 6,460,490 | \$2,907 | \$7,541 | | |
| GS>50 to 4,999 kW | \$5.50 | 90 | \$1,486 | \$0.1645 | 60,407 | \$9,935 | \$11,421 | | |
| Large Use | \$245.31 | 1 | \$736 | \$0.0351 | 19,595 | \$689 | \$1,425 | | |
| Street Lighting | \$0.09 | 1,958 | \$541 | \$0.3053 | 1,060 | \$324 | \$865 | | |
| Sentinel Lighting | \$0.12 | 46 | \$16 | \$0.5593 | 30 | \$17 | \$33 | | |
| | | 8,768 | \$38,409 | | 22,483,823 | \$36,988 | \$75,396 | \$25,132 | |

April 1, 2004 to December 31, 2004

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|--------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$0.00 | - | \$0 | \$0.0028 | 40,315,555 | \$113,690 | \$113,690 | | |
| GS<50 | \$0.00 | - | \$0 | \$0.0010 | 14,604,180 | \$14,604 | \$14,604 | | |
| GS>50 to 4,999 kW | \$0.00 | - | \$0 | \$0.1878 | 161,381 | \$30,312 | \$30,312 | | |
| Large Use | \$0.00 | - | \$0 | \$0.0580 | 57,366 | \$3,325 | \$3,325 | | |
| Street Lighting | \$0.00 | - | \$0 | \$0.6398 | 3,203 | \$2,049 | \$2,049 | | |
| Sentinel Lighting | \$0.00 | - | \$0 | \$0.5987 | 88 | \$53 | \$53 | | |
| | | - | \$0 | | 55,141,773 | \$164,033 | \$164,033 | \$18,226 | \$239,430 |

January 1, 2005 to March 31, 2005

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|--------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$0.00 | - | \$0 | \$0.0028 | 15,553,758 | \$43,862 | \$43,862 | | |
| GS<50 | \$0.00 | - | \$0 | \$0.0010 | 5,561,404 | \$5,561 | \$5,561 | | |
| GS>50 to 4,999 kW | \$0.00 | - | \$0 | \$0.1878 | 49,696 | \$9,334 | \$9,334 | | |
| Large Use | \$0.00 | - | \$0 | \$0.0580 | 19,205 | \$1,113 | \$1,113 | | |
| Street Lighting | \$0.00 | - | \$0 | \$0.6398 | 1,079 | \$690 | \$690 | | |
| Sentinel Lighting | \$0.00 | - | \$0 | \$0.5987 | 29 | \$17 | \$17 | | |
| | | - | \$0 | | 21,185,170 | \$60,578 | \$60,578 | \$20,193 | |

April 1, 2005 to December 31, 2005

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|--------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$0.00 | - | \$0 | \$0.0024 | 45,727,088 | \$109,745 | \$109,745 | | |
| GS<50 | \$0.00 | - | \$0 | \$0.0011 | 17,837,504 | \$19,621 | \$19,621 | | |
| GS>50 to 4,999 kW | \$0.00 | - | \$0 | \$0.1455 | 173,377 | \$25,226 | \$25,226 | | |
| Large Use | \$0.00 | - | \$0 | \$0.0514 | 56,677 | \$2,913 | \$2,913 | | |
| Street Lighting | \$0.00 | - | \$0 | \$0.5675 | 3,230 | \$1,833 | \$1,833 | | |
| Sentinel Lighting | \$0.00 | - | \$0 | \$0.5311 | 87 | \$46 | \$46 | | |
| | | - | \$0 | | 63,797,963 | \$159,385 | \$159,385 | \$17,709 | \$219,963 |

January 1, 2006 to April 30, 2006

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|--------|-----------|-----------|----------|------------|-----------|-------------|---------------|--------------|
| Residential | \$0.00 | - | \$0 | \$0.0024 | 18,988,624 | \$45,573 | \$45,573 | | |
| GS<50 | \$0.00 | - | \$0 | \$0.0011 | 7,265,989 | \$7,993 | \$7,993 | | |
| GS>50 to 4,999 kW | \$0.00 | - | \$0 | \$0.1455 | 73,605 | \$10,709 | \$10,709 | | |
| Large Use | \$0.00 | - | \$0 | \$0.0514 | 25,267 | \$1,299 | \$1,299 | | |
| Street Lighting | \$0.00 | - | \$0 | \$0.5675 | 1,435 | \$814 | \$814 | | |
| Sentinel Lighting | \$0.00 | - | \$0 | \$0.5311 | 39 | \$21 | \$21 | | |
| | | - | \$0 | | 26,354,958 | \$66,408 | \$66,408 | \$16,602 | \$66,408 |

GRAND TOTAL

| Rate Class | Rate | Cust/Conn | Recovered | Rate | kWh/kW | Recovered | Grand Total | Mthly Revenue | Annual Total |
|-------------------|------|-----------|-----------|------|--------|-----------|-------------|---------------|--------------|
| Residential | | | \$253,308 | | | \$471,591 | \$724,899 | | |
| GS<50 | | | \$38,708 | | | \$66,058 | \$104,767 | | |
| GS>50 to 4,999 kW | | | \$12,380 | | | \$147,600 | \$159,980 | | |
| Large Use | | | \$6,133 | | | \$13,856 | \$19,989 | | |
| Street Lighting | | | \$4,508 | | | \$7,867 | \$12,375 | | |
| Sentinel Lighting | | | \$135 | | | \$264 | \$399 | | |
| | | - | \$315,172 | | - | \$707,237 | \$1,022,409 | | \$1,022,409 |

Attachment 28

**2002 Original RAM Model
EB-2002-0090**

SHEET 1 - 2001 OEB Approved Rate Schedule**V2**

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0078 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$9.32 |
| COST OF POWER KWH RATE | \$0.0768 |

RESIDENTIAL (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.0000 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0025 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$12.13 |
| COST OF POWER KWH RATE | \$0.0756 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.0000 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$0.8877 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$29.70 |
| COST OF POWER KW RATE | \$6.7650 |
| COST OF POWER KWH RATE | \$0.0531 |

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
|---------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.00 | \$0.00 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
|---------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.00 | \$0.00 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

DISTRIBUTION KW RATE \$0.1894

MONTHLY SERVICE CHARGE (Per Customer) \$1,324.91

| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
|---------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.0199

MONTHLY SERVICE CHARGE (Per Connection) \$0.63

COST OF POWER KW RATE \$23.4388

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00

| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
|---------------------------------|-------------|-------------|
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.6459

MONTHLY SERVICE CHARGE (Per Connection) \$0.50

COST OF POWER KW RATE \$23.5288

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.0000 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.00 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.

Please enter these charges exactly as they are entered in your current approved rate schedule.

Please add your specific charges as necessary.

| | | | |
|--|---------------------------------|----|--------|
| New Account Setup | | \$ | 32.00 |
| Change of Occupancy | | \$ | 8.80 |
| Account History | | | |
| | Administration Fee | \$ | - |
| | Current Year Data | \$ | - |
| | Each Additional Year Data | \$ | - |
| Arrear's Certificate | | \$ | 10.70 |
| Late Payment | | | 1.50% |
| Returned Cheque | | \$ | 8.55 |
| Collection of Account Charge | | \$ | 8.80 |
| Disconnect/Reconnect Charges (non payment of account) | | | |
| | At Meter - During Regular Hours | \$ | 17.60 |
| | At Meter - After Hours | \$ | 27.80 |
| Temporary Pole Service | | \$ | 425.00 |
| After Hours High Voltage Station Outage | | \$ | - |
| Residential Service 2nd Visit to Connect New Service | | \$ | - |
| Residential Service After Hours Visit to Connect New Service | | \$ | - |
| Diversity Adjustment Credit (per KW) | Winter | \$ | 0.70 |
| (discontinued at Market Opening) | Summer | \$ | 0.89 |
| Dispute Involvement charges | | \$ | 5.00 |
| Non utility step down facility (per KW) | | \$ | 0.60 |

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

NAME OF UTILITY Middlesex Power Corporation
NAME OF CONTACT Dana Witt
E- Mail Address dwitt@middlesexpower.com
VERSION NUMBER 2
Date 16-Jan-02

LICENCE NUMBER ED-1999-0249
PHONE NUMBER 519-245-2010 ext 226

Enter the IPI for 2001 when released by the Board in January.

| IPI | PF | Adjustment Factor |
|------|-------|-------------------|
| 0.4% | -1.5% | -1.1% |

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

| |
|--------|
| or |
| 98.90% |

of current rates.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.007714
MONTHLY SERVICE CHARGE (Per Customer) \$9.2175
COST OF POWER KWH RATE \$0.0768

RESIDENTIAL (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.000000 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.0000 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.002473
MONTHLY SERVICE CHARGE (Per Customer) \$11.9966
COST OF POWER KWH RATE \$0.07555

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.000000 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.0000 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.877935
MONTHLY SERVICE CHARGE (Per Customer) \$29.3733
COST OF POWER KW RATE \$6.7650
COST OF POWER KWH RATE \$0.0531

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.000000 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.0000 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.00 | \$0.00 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.000000 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.0000 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.00 | \$0.00 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.187317 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,310.34 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.85 | \$8.12 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|------------|
| DISTRIBUTION KW RATE | \$2.986681 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.6231 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.0000 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.00 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$1.6278 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.4945 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.0000 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.00 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

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

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

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

Enter the permanent revenue adjustment amount here: \$ 48,000.00 Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. \$ 287,591.00

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) \$ 287,591.00

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) \$ 287,591.00

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

| 1999 Statistics by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 1999 Revenue Shares | 2002 1/3 MARR Allocations |
|--|---------|------------|-----------------------------------|--|---------------------|---------------------------|
| RESIDENTIAL CLASS | - | 51,727,477 | 5,610 | \$821,125.00 | 72.60% | \$ 243,631.35 |
| GENERAL SERVICE <50 KW CLASS | - | 26,613,768 | 703 | \$133,827.00 | 11.83% | \$ 39,707.05 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 170,613 | - | 75 | \$142,054.00 | 12.56% | \$ 42,148.04 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | - | 0 | \$0.00 | 0.00% | \$ - |
| INTERMEDIATE USE | 0 | - | 0 | \$0.00 | 0.00% | \$ - |
| LARGE USER CLASS | 53,793 | - | 1 | \$20,799.00 | 1.84% | \$ 6,171.15 |
| SENTINEL LIGHTS | 71 | - | 44 | \$437.00 | 0.04% | \$ 129.66 |
| STREET LIGHTING CLASS | 3,816 | - | 1,642 | \$12,820.00 | 1.13% | \$ 3,803.75 |
| TOTALS | | | | \$1,131,062.00 | 1.00 | \$ 335,591.00 |
| | | | | Allocated Total for 2002 including adjustments at Cell B13 ==> | | \$ 335,591.00 |

Residential Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|--|------------------------------------|-----------------------------------|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above) | \$ 95,259.86 | \$ 148,371.49 | \$ 243,631.35 |
| (B) RETAIL KWH | 51,727,477 | | |
| (C) NUMBER OF CUSTOMERS | | 5,610 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.001842 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$2.2040 | |

General Service <50kW Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above) | \$ 15,525.46 | \$ 24,181.59 | \$ 39,707.05 |
| (B) RETAIL KWH | 26,613,768 | | |
| (C) NUMBER OF CUSTOMERS | | 703 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000583 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$2.8665 | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.850 | 0.150 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above) | \$ 35,825.83 | \$ 6,322.21 | \$ 42,148.04 |
| (B) RETAIL KW | 170,613 | | |
| (C) NUMBER OF CUSTOMERS | | 75 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.209983 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$7.0247 | |

General Service >50kW ClassTOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | #DIV/0! | |

Intermediate Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | | 0 | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | #DIV/0! | |

Large User Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above) | \$ 2,412.92 | \$ 3,758.23 | \$ 6,171.15 |
| (B) RETAIL KW | 53,793 | | |
| (C) NUMBER OF CUSTOMERS | | 1 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.044856 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$313.1860 | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above) | \$ 50.70 | \$ 78.96 | \$ 129.66 |
| (B) RETAIL KW | 71 | | |
| (C) NUMBER OF CUSTOMERS (Connections) | | 44 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.714042 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$0.1496 | |

Streetlighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above) | \$ 1,487.27 | \$ 2,316.48 | \$ 3,803.75 |
| (B) RETAIL KW | 3,816 | | |
| (C) NUMBER OF CUSTOMERS | | 1,642 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.389745 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4) | | \$0.1176 | |

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

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

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

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0096 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11.42 |
| COST OF POWER KWH RATE | \$0.0768 |

RESIDENTIAL (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.0018 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.20 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0031 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$14.86 |
| COST OF POWER KWH RATE | \$0.0756 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.0006 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.87 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.0879 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$36.40 |
| COST OF POWER KW RATE | \$6.7650 |
| COST OF POWER KWH RATE | \$0.0531 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.232172 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,623.52 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$3.7007 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.77 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.7140 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.15 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$2.0175 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.61 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.3897 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.12 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

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

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

| ENTER DESIRED CONSUMPTION LEVEL | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--|-------------------------------------|----------------|--------------|-------------------|-------------|
| 100 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 11.42 | | |
| KWH | 100 | 0.0078 | \$ 0.78 | | KWH | 100 | \$ 0.96 | | |
| COST OF POWER KWH | 100 | 0.0768 | \$ 7.68 | | COST OF POWER KWH | 100 | \$ 7.68 | | |
| CURRENT 2001 BILL | | | \$ 17.78 | | Adjusted 2002 BILL | | \$ 20.05 | \$ 2.28 | 12.8% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--|-------------------------------------|----------------|--------------|-------------------|-------------|
| 250 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 11.42 | | |
| KWH | 250 | 0.0078 | \$ 1.95 | | KWH | 250 | \$ 2.39 | | |
| COST OF POWER KWH | 250 | 0.0768 | \$ 19.19 | | COST OF POWER KWH | 250 | \$ 19.19 | | |
| CURRENT 2001 BILL | | | \$ 30.46 | | Adjusted 2002 BILL | | \$ 33.00 | \$ 2.54 | 8.3% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--|-------------------------------------|----------------|--------------|-------------------|-------------|
| 500 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 11.42 | | |
| KWH | 500 | 0.0078 | \$ 3.90 | | KWH | 500 | \$ 4.78 | | |
| COST OF POWER KWH | 500 | 0.0768 | \$ 38.38 | | COST OF POWER KWH | 500 | \$ 38.38 | | |
| CURRENT 2001 BILL | | | \$ 51.60 | | Adjusted 2002 BILL | | \$ 54.57 | \$ 2.98 | 5.8% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--|-------------------------------------|----------------|--------------|-------------------|-------------|
| 750 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 11.42 | | |
| KWH | 750 | 0.0078 | \$ 5.85 | | KWH | 750 | \$ 7.17 | | |
| COST OF POWER KWH | 750 | 0.0768 | \$ 57.56 | | COST OF POWER KWH | 750 | \$ 57.56 | | |
| CURRENT 2001 BILL | | | \$ 72.73 | | Adjusted 2002 BILL | | \$ 76.15 | \$ 3.42 | 4.7% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--|-------------------------------------|----------------|--------------|-------------------|-------------|
| 1000 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 11.42 | | |
| KWH | 1000 | 0.0078 | \$ 7.80 | | KWH | 1000 | \$ 9.56 | | |
| COST OF POWER KWH | 1000 | 0.0768 | \$ 76.75 | | COST OF POWER KWH | 1000 | \$ 76.75 | | |
| CURRENT 2001 BILL | | | \$ 93.87 | | Adjusted 2002 BILL | | \$ 97.73 | \$ 3.86 | 4.1% |

| MONTHLY CONSUMPTION OF 1500 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------------------|------------------------------|----------------|----------------|--------------|--------------------|------------------------------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 11.42 | |
| | DISTRIBUTION KWH | 1500 | 0.0078 | \$ 11.70 | | DISTRIBUTION KWH | 1500 | 0.00956 | \$ 14.33 | |
| | COST OF POWER KWH | 1500 | 0.0768 | \$ 115.13 | | COST OF POWER KWH | 1500 | 0.0768 | \$ 115.13 | |
| | CURRENT 2001 BILL | | | \$ 136.15 | Adjusted 2002 BILL | | | \$ 140.88 | \$ 4.74 | 3.5% |

| MONTHLY CONSUMPTION OF 2000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------------------|------------------------------|----------------|----------------|--------------|--------------------|------------------------------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 11.42 | |
| | DISTRIBUTION KWH | 2000 | 0.0078 | \$ 15.60 | | DISTRIBUTION KWH | 2000 | 0.00956 | \$ 19.11 | |
| | COST OF POWER KWH | 2000 | 0.0768 | \$ 153.50 | | COST OF POWER KWH | 2000 | 0.0768 | \$ 153.50 | |
| | CURRENT 2001 BILL | | | \$ 178.42 | Adjusted 2002 BILL | | | \$ 184.03 | \$ 5.61 | 3.1% |

GENERAL SERVICE < 50 KW

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR) | | | | | | |
|---------------------------------|--|----------------|----------------|--------------|---|-----|----------------|--------------|-------------------|-------------|------|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | | |
| 1000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % | |
| MONTHLY SERVICE CHARGE | | n/a | n/a | \$ 12.13 | MONTHLY SERVICE CHARGE | | n/a | n/a | \$ 14.86 | | |
| DISTRIBUTION KWH | | 1000 | 0.0025 | \$ 2.50 | DISTRIBUTION KWH | | 1000 | 0.00306 | \$ 3.06 | | |
| COST OF POWER KWH | | 1000 | 0.0756 | \$ 75.55 | COST OF POWER KWH | | 1000 | 0.0756 | \$ 75.55 | | |
| CURRENT 2001 BILL | | | | \$ 90.18 | Adjusted 2002 BILL | | | | \$ 93.47 | \$ 3.29 | 3.6% |

| MONTHLY CONSUMPTION 2000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------------|------------------------------|----------------|----------------|--------------|--------------------|------------------------------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 12.13 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 14.86 | |
| | DISTRIBUTION KWH | 2000 | 0.0025 | \$ 5.00 | | DISTRIBUTION KWH | 2000 | 0.00306 | \$ 6.11 | |
| | COST OF POWER KWH | 2000 | 0.0756 | \$ 151.10 | | COST OF POWER KWH | 2000 | 0.0756 | \$ 151.10 | |
| | CURRENT 2001 BILL | | | \$ 168.23 | Adjusted 2002 BILL | | | \$ 172.07 | \$ 3.84 | 2.3% |

| MONTHLY CONSUMPTION 5000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------------|------------------------------|----------------|----------------|--------------|--------------------|------------------------------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 12.13 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 14.86 | |
| | DISTRIBUTION KWH | 5000 | 0.0025 | \$ 12.50 | | DISTRIBUTION KWH | 5000 | 0.00306 | \$ 15.28 | |
| | COST OF POWER KWH | 5000 | 0.0756 | \$ 377.75 | | COST OF POWER KWH | 5000 | 0.0756 | \$ 377.75 | |
| | CURRENT 2001 BILL | | | \$ 402.38 | Adjusted 2002 BILL | | | \$ 407.89 | \$ 5.51 | 1.4% |

| MONTHLY CONSUMPTION 10,000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|------------------------------|----------------|----------------|--------------|--------------------|------------------------------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 12.13 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 14.86 | |
| | DISTRIBUTION KWH | 10000 | 0.0025 | \$ 25.00 | | DISTRIBUTION KWH | 10000 | 0.00306 | \$ 30.56 | |
| | COST OF POWER KWH | 10000 | 0.0756 | \$ 755.50 | | COST OF POWER KWH | 10000 | 0.0756 | \$ 755.50 | |
| | CURRENT 2001 BILL | | | \$ 792.63 | Adjusted 2002 BILL | | | \$ 800.92 | \$ 8.29 | 1.0% |

GENERAL SERVICE > 50 KW NON TIME OF USE

| MONTHLY CONSUMPTION 500kW, 250,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 36.40 | |
| DISTRIBUTION KW | 500 | 0.8877 | \$ 443.85 | | DISTRIBUTION KW | 500 | 1.08792 | \$ 543.96 | |
| COST OF POWER KW | 500 | 6.7650 | \$ 3,382.50 | | COST OF POWER KW | 500 | 6.7650 | \$ 3,382.50 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 13,262.50 | | COST OF POWER KWH | 250,000 | 0.0531 | \$ 13,262.50 | |
| CURRENT 2001 BILL | | | \$ 17,118.55 | Adjusted 2002 BILL | | | \$ 17,225.36 | \$ 106.81 | 0.6% |

| MONTHLY CONSUMPTION 1000kW, 400,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.08792 | \$ 1,087.92 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 21,220.00 | | COST OF POWER KWH | 400,000 | 0.0531 | \$ 21,220.00 | |
| CURRENT 2001 BILL | | | \$ 28,902.40 | Adjusted 2002 BILL | | | \$ 29,109.32 | \$ 206.92 | 0.7% |

| MONTHLY CONSUMPTION 1000kW, 500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.08792 | \$ 1,087.92 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 26,525.00 | | COST OF POWER KWH | 500,000 | 0.0531 | \$ 26,525.00 | |
| CURRENT 2001 BILL | | | \$ 34,207.40 | Adjusted 2002 BILL | | | \$ 34,414.32 | \$ 206.92 | 0.6% |

| MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.08792 | \$ 3,263.75 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 53,050.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 53,050.00 | |
| CURRENT 2001 BILL | | | \$ 76,037.80 | Adjusted 2002 BILL | | | \$ 76,645.15 | \$ 607.35 | 0.8% |

| MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.08792 | \$ 3,263.75 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 79,575.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 79,575.00 | |
| CURRENT 2001 BILL | | | \$ 102,562.80 | Adjusted 2002 BILL | | | \$ 103,170.15 | \$ 607.35 | 0.6% |

| MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.08792 | \$ 4,351.67 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 63,660.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 63,660.00 | |
| CURRENT 2001 BILL | | | \$ 94,300.50 | Adjusted 2002 BILL | | | \$ 95,108.07 | \$ 807.57 | 0.9% |

| MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 36.40 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.08792 | \$ 4,351.67 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 95,490.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 95,490.00 | |
| CURRENT 2001 BILL | | | \$ 126,130.50 | Adjusted 2002 BILL | | | \$ 126,938.07 | \$ 807.57 | 0.6% |

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

100kW, 40,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|------------------------|--------|---------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE | | |
| COST OF POWER kWh | | \$/kWh | | |
| WINTER PEAK | 20,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|--------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE | | | |
| COST OF POWER kWh | | \$/kWh | | | |
| WINTER PEAK | 20,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|------------------------|--------|---------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE | | |
| COST OF POWER kWh | | \$/kWh | | |
| SUMMER PEAK | 20,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|--------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE | | | |
| COST OF POWER kWh | | \$/kWh | | | |
| SUMMER PEAK | 20,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

4000kW, 1,200,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|------------------------|---------|---------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE | | |
| COST OF POWER kWh | | \$/kWh | | |
| WINTER PEAK | 600,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|---------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE | | | |
| COST OF POWER kWh | | \$/kWh | | | |
| WINTER PEAK | 600,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|------------------------|---------|---------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE | | |
| COST OF POWER kWh | | \$/kWh | | |
| SUMMER PEAK | 600,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|---------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE | | | |
| COST OF POWER kWh | | \$/kWh | | | |
| SUMMER PEAK | 600,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

6000kW, 3,000,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ |
|------------------------|-------|----------------|----------------------|
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 |
| kW COST OF POWER | | | |
| Demand Charge | 6000 | 10.8540 | \$ 65,124.00 |
| COST OF POWER | kWh | RATE \$/kWh | |
| WINTER PEAK | ##### | 0.0689 | \$ 103,275.00 |
| WINTER OFF PEAK | ##### | 0.0412 | \$ 61,725.00 |
| MONTHLY SERVICE CHARGE | | | \$ 1,324.91 |
| TOTAL | | | \$ 232,585.31 |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|-----------|----------------|----------------------|-------------------|-------------|
| DISTRIBUTION kW | 6000 | 0.2322 | \$ 1,393.03 | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 10.8540 | \$ 65,124.00 | | |
| COST OF POWER | kWh | RATE \$/kWh | | | |
| WINTER PEAK | ##### | 0.0689 | \$ 103,275.00 | | |
| WINTER OFF PEAK | 1,500,000 | 0.0412 | \$ 61,725.00 | | |
| MONTHLY SERVICE CHARGE | | | \$ 1,623.52 | | |
| TOTAL | | | \$ 233,140.56 | \$ 555.25 | 0.2% |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ |
|------------------------|-------|----------------|----------------------|
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 |
| kW COST OF POWER | | | |
| Demand Charge | 6000 | 8.1180 | \$ 48,708.00 |
| COST OF POWER | kWh | RATE \$/kWh | |
| SUMMER PEAK | ##### | 0.0582 | \$ 87,225.00 |
| SUMMER OFF PEAK | ##### | 0.0306 | \$ 45,825.00 |
| MONTHLY SERVICE CHARGE | | | \$ 1,324.91 |
| TOTAL | | | \$ 184,219.31 |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|------------------------|-----------|----------------|----------------------|-------------------|-------------|
| DISTRIBUTION kW | 6000 | 0.2322 | \$ 1,393.03 | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 8.1180 | \$ 48,708.00 | | |
| COST OF POWER | kWh | RATE \$/kWh | | | |
| SUMMER PEAK | ##### | 0.0582 | \$ 87,225.00 | | |
| SUMMER OFF PEAK | 1,500,000 | 0.0306 | \$ 45,825.00 | | |
| MONTHLY SERVICE CHARGE | | | \$ 1,623.52 | | |
| TOTAL | | | \$ 184,774.56 | \$ 555.25 | 0.3% |

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

Enter the Estimated Value for the 2001 PILs Deferral Account.

\$ 42,838.29

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

| 1999 Statistics by Class | kW | kWh | Number of Customers | Distribution Revenues | 2001 Revenue Shares | 2001 PILs Deferral Allocations |
|--|---------|------------|---------------------|-----------------------|---------------------|--------------------------------|
| RESIDENTIAL CLASS | - | 51,727,477 | 5,610 | \$821,125.00 | 72.60% | \$ 31,099.62 |
| GENERAL SERVICE <50 KW CLASS | - | 26,613,768 | 703 | \$133,827.00 | 11.83% | \$ 5,068.62 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 170,613 | - | 75 | \$142,054.00 | 12.56% | \$ 5,380.21 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | - | 0 | \$0.00 | 0.00% | \$ - |
| INTERMEDIATE USE | 0 | - | 0 | \$0.00 | 0.00% | \$ - |
| LARGE USER CLASS | 53,793 | - | 1 | \$20,799.00 | 1.84% | \$ 787.75 |
| SENTINEL LIGHTS | 71 | - | 44 | \$437.00 | 0.04% | \$ 16.55 |
| STREET LIGHTING CLASS | 3,816 | - | 1,642 | \$12,820.00 | 1.13% | \$ 485.55 |
| TOTALS | | | | \$1,131,062.00 | 1.00 | 42,838.29 |
| | | | | | | \$ 42,838.29 |

Residential Class

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

| | VARIABLE CHARGE REVENUE | SERVICE CHARGE REVENUE | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|--|-------------------------|------------------------|--|
| | Percentage | Percentage | |
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above) | \$ 12,159.95 | \$ 18,939.67 | \$ 31,099.62 |
| (B) RETAIL KWH | 51,727,477 | | |
| (C) NUMBER OF CUSTOMERS | | 5,610 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(I) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.000235 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$0.2813 | |

General Service <50kW Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above) | \$ 1,981.83 | \$ 3,086.79 | \$ 5,068.62 |
| (B) RETAIL KWH | 26,613,768 | | |
| (C) NUMBER OF CUSTOMERS | | 703 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(I) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.000074 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$0.3659 | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.850 | 0.150 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above) | \$ 4,573.18 | \$ 807.03 | \$ 5,380.21 |
| (B) RETAIL KW | 170,613 | | |
| (C) NUMBER OF CUSTOMERS | | 75 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.026804 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$0.8967 | |

General Service >50kW Class TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | #DIV/0! | |

Intermediate Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | | 0 | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | #DIV/0! | |

Large User Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above) | \$ 308.01 | \$ 479.74 | \$ 787.75 |
| (B) RETAIL KW | 53,793 | | |
| (C) NUMBER OF CUSTOMERS | | 1 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.005726 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$39.9783 | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above) | \$ 6.47 | \$ 10.08 | \$ 16.55 |
| (B) RETAIL KW | 71 | | |
| (C) NUMBER OF CUSTOMERS | | 44 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.091148 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$0.0191 | |

Streetlighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2001 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above) | \$ 189.85 | \$ 295.70 | \$ 485.55 |
| (B) RETAIL KW | 3,816 | | |
| (C) NUMBER OF CUSTOMERS (Connections) | | 1,642 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7) | \$0.049751 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7) | | \$0.0150 | |

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

| | | | |
|-----------------|-----------------------------|----------------|--------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 9-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.00979 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11.70279 |
| COST OF POWER KWH RATE | \$0.07675 |

RESIDENTIAL (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.00208 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.48531 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.00313 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$15.22895 |
| COST OF POWER KWH RATE | \$0.075550 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KWH RATE | \$0.00066 | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$3.23238 | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$1.11472 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$37.29467 |
| COST OF POWER KW RATE | \$6.765000 |
| COST OF POWER KWH RATE | \$0.053050 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|---------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.23790 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,663.50032 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$3.79187 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.79171 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.80519 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.16864 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$2.06729 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.62707 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.43950 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.13257 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

Enter the Estimated Value for the 2002 PILs Proxy \$ 220,022.17

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

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

| 1999 Statistics by Class | kW | kWh | Number of Customers | Distribution Revenues | 2001 Revenue Shares | 2002 PILs Estimate Allocations |
|--|---------|------------|---------------------|-----------------------|---------------------|--------------------------------|
| RESIDENTIAL CLASS | - | 51,727,477 | 5,610 | \$821,125.00 | 72.60% | \$159,731.03 |
| GENERAL SERVICE <50 KW CLASS | - | 26,613,768 | 703 | \$133,827.00 | 11.83% | \$26,032.97 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 170,613 | - | 75 | \$142,054.00 | 12.56% | \$27,633.35 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | - | - | \$0.00 | 0.00% | \$0.00 |
| INTERMEDIATE USE | 0 | - | - | \$0.00 | 0.00% | \$0.00 |
| LARGE USER CLASS | 53,793 | - | 1 | \$20,799.00 | 1.84% | \$4,045.97 |
| SENTINEL LIGHTS | 71 | - | 44 | \$437.00 | 0.04% | \$85.01 |
| STREET LIGHTING CLASS | 3,816 | - | 1,642 | \$12,820.00 | 1.13% | \$2,493.84 |
| TOTALS | | | | \$1,131,062.00 | 1.00 | \$220,022.17 |
| | | | | | | \$220,022.17 |

Residential Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|--|------------------------------------|-----------------------------------|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G26 above) | \$ 62,454.83 | \$ 97,276.20 | \$ 159,731.03 |
| (B) RETAIL KWH | 51,727,477 | | |
| (C) NUMBER OF CUSTOMERS | | 5,610 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.001207 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9) | | \$1.4450 | |

General Service <50kW Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|--|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G27 above) | \$ 10,178.89 | \$ 15,854.08 | \$ 26,032.97 |
| (B) RETAIL KWH | 26,613,768 | | |
| (C) NUMBER OF CUSTOMERS | | 703 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.000382 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9) | | \$1.8793 | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|--|---|--|---|
| | 0.850 | 0.150 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G28 above) | \$ 23,488.35 | \$ 4,145.00 | \$ 27,633.35 |
| (B) RETAIL KW | 170,613 | | |
| (C) NUMBER OF CUSTOMERS | | 75 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.137670 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9) | | \$4.6056 | |

General Service >50kW ClassTOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|--|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G29 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9) | | #DIV/0! | |

Intermediate Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G30 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | - | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9) | #DIV/0! | | |

Large User Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G31 above) | \$ 1,581.97 | \$ 2,463.99 | \$ 4,045.97 |
| (B) RETAIL KW | 53,793 | | |
| (C) NUMBER OF CUSTOMERS | 1 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.029409 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9) | \$205.3329 | | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G32 above) | \$ 33.24 | \$ 51.77 | \$ 85.01 |
| (B) RETAIL KW | 71 | | |
| (C) NUMBER OF CUSTOMERS | 44 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.468144 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9) | \$0.0980 | | |

Streetlighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED TOTAL 2002 PILs Estimate REVENUE |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 PILs (Total in Cell G33 above) | \$ 975.09 | \$ 1,518.75 | \$ 2,493.84 |
| (B) RETAIL KW | 3,816 | | |
| (C) NUMBER OF CUSTOMERS (Connections) | | 1,642 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9) | \$0.255527 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9) | | \$0.0771 | |

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

| | | | |
|-----------------|-----------------------------|----------------|--------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 9-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.01100 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$13.14777 |
| COST OF POWER KWH RATE | \$0.07675 |

RESIDENTIAL (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.00328 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$3.93029 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.00351 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$17.10829 |
| COST OF POWER KWH RATE | \$0.075550 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.00104 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$5.11172 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$1.25239 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$41.90023 |
| COST OF POWER KW RATE | \$6.765000 |
| COST OF POWER KWH RATE | \$0.053050 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|---------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.26731 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,868.83322 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$4.26002 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.88976 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$1.27333 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.26669 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$2.32282 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.70415 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.69502 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.20965 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

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

| | | | |
|------------------------|-----------------------------|-----------------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

| ENTER DESIRED CONSUMPTION LEVEL | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------------------|---|----------------|--------------|-------------------|-------------|
| 100 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | \$ 13.15 | | |
| | 100 | 0.0078 | \$ 0.78 | | | 100 | 0.01100 | \$ 1.10 | |
| COST OF POWER KWH | 100 | 0.0768 | \$ 7.68 | | COST OF POWER KWH | 100 | 0.0768 | \$ 7.68 | |
| CURRENT 2001 BILL | | | \$ 17.78 | Adjusted 2002 BILL | | | \$ 21.92 | \$ 4.15 | 23.3% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------------------|---|----------------|--------------|-------------------|-------------|
| 250 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | \$ 13.15 | | |
| | 250 | 0.0078 | \$ 1.95 | | | 250 | 0.01100 | \$ 2.75 | |
| COST OF POWER KWH | 250 | 0.0768 | \$ 19.19 | | COST OF POWER KWH | 250 | 0.0768 | \$ 19.19 | |
| CURRENT 2001 BILL | | | \$ 30.46 | Adjusted 2002 BILL | | | \$ 35.08 | \$ 4.63 | 15.2% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------------------|---|----------------|--------------|-------------------|-------------|
| 500 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | \$ 13.15 | | |
| | 500 | 0.0078 | \$ 3.90 | | | 500 | 0.01100 | \$ 5.50 | |
| COST OF POWER KWH | 500 | 0.0768 | \$ 38.38 | | COST OF POWER KWH | 500 | 0.0768 | \$ 38.38 | |
| CURRENT 2001 BILL | | | \$ 51.60 | Adjusted 2002 BILL | | | \$ 57.02 | \$ 5.43 | 10.5% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------------------|---|----------------|--------------|-------------------|-------------|
| 750 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | \$ 13.15 | | |
| | 750 | 0.0078 | \$ 5.85 | | | 750 | 0.01100 | \$ 8.25 | |
| COST OF POWER KWH | 750 | 0.0768 | \$ 57.56 | | COST OF POWER KWH | 750 | 0.0768 | \$ 57.56 | |
| CURRENT 2001 BILL | | | \$ 72.73 | Adjusted 2002 BILL | | | \$ 78.96 | \$ 6.23 | 8.6% |

| MONTHLY CONSUMPTION OF | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------------------|---|----------------|--------------|-------------------|-------------|
| 1000 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | \$ 13.15 | | |
| | 1000 | 0.0078 | \$ 7.80 | | | 1000 | 0.01100 | \$ 11.00 | |
| COST OF POWER KWH | 1000 | 0.0768 | \$ 76.75 | | COST OF POWER KWH | 1000 | 0.0768 | \$ 76.75 | |
| CURRENT 2001 BILL | | | \$ 93.87 | Adjusted 2002 BILL | | | \$ 100.90 | \$ 7.03 | 7.5% |

| MONTHLY CONSUMPTION OF 1500 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------|---|----------------|--------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 9.32 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 13.15 |
| | 1500 | 0.0078 | \$ | 11.70 | | 1500 | 0.01100 | \$ | 16.50 |
| COST OF POWER KWH | 1500 | 0.0768 | \$ | 115.13 | COST OF POWER KWH | 1500 | 0.0768 | \$ | 115.13 |
| CURRENT 2001 BILL | | | \$ | 136.15 | Adjusted 2002 BILL | | \$ | 144.77 | \$ 8.63 6.3% |

| MONTHLY CONSUMPTION OF 2000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------|---|----------------|--------------|-------------------|---------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 9.32 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 13.15 |
| | 2000 | 0.0078 | \$ | 15.60 | | 2000 | 0.01100 | \$ | 22.00 |
| COST OF POWER KWH | 2000 | 0.0768 | \$ | 153.50 | COST OF POWER KWH | 2000 | 0.0768 | \$ | 153.50 |
| CURRENT 2001 BILL | | | \$ | 178.42 | Adjusted 2002 BILL | | \$ | 188.64 | \$ 10.22 5.7% |

GENERAL SERVICE < 50 KW

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs) | | | | |
|---|----------------|----------------|--------------|-------|--|----------------|--------------|-------------------|--------------|
| ENTER DESIRED CONSUMPTION LEVEL 1000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.11 |
| | 1000 | 0.0025 | \$ | 2.50 | | 1000 | 0.00351 | \$ | 3.51 |
| COST OF POWER KWH | 1000 | 0.0756 | \$ | 75.55 | COST OF POWER KWH | 1000 | 0.0756 | \$ | 75.55 |
| CURRENT 2001 BILL | | | \$ | 90.18 | Adjusted 2002 BILL | | \$ | 96.17 | \$ 5.99 6.6% |

| MONTHLY CONSUMPTION 2000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------|---|----------------|--------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.11 |
| | 2000 | 0.0025 | \$ | 5.00 | | 2000 | 0.00351 | \$ | 7.03 |
| COST OF POWER KWH | 2000 | 0.0756 | \$ | 151.10 | COST OF POWER KWH | 2000 | 0.0756 | \$ | 151.10 |
| CURRENT 2001 BILL | | | \$ | 168.23 | Adjusted 2002 BILL | | \$ | 175.23 | \$ 7.00 4.2% |

| MONTHLY CONSUMPTION 5000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------|---|----------------|--------------|-------------------|---------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.11 |
| | 5000 | 0.0025 | \$ | 12.50 | | 5000 | 0.00351 | \$ | 17.56 |
| COST OF POWER KWH | 5000 | 0.0756 | \$ | 377.75 | COST OF POWER KWH | 5000 | 0.0756 | \$ | 377.75 |
| CURRENT 2001 BILL | | | \$ | 402.38 | Adjusted 2002 BILL | | \$ | 412.42 | \$ 10.04 2.5% |

| MONTHLY CONSUMPTION 10,000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--------|---|----------------|--------------|-------------------|---------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.11 |
| | 10000 | 0.0025 | \$ | 25.00 | | 10000 | 0.00351 | \$ | 35.13 |
| COST OF POWER KWH | 10000 | 0.0756 | \$ | 755.50 | COST OF POWER KWH | 10000 | 0.0756 | \$ | 755.50 |
| CURRENT 2001 BILL | | | \$ | 792.63 | Adjusted 2002 BILL | | \$ | 807.74 | \$ 15.11 1.9% |

| MONTHLY CONSUMPTION | | KWH | RATE | CHARGE | | KWH | RATE | CHARGE | IMPACT | IMPACT |
|---------------------|-------------------------------------|---------|--------|-------------|--------------------|-------------------------------------|--------|-------------|-------------|--------|
| 20,000 KWh | | (enter) | \$/KWH | \$ | | | \$/KWH | \$ | DOLLARS | % |
| | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 12.13 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | \$ 17.11 | | |
| | KWH | 20000 | 0.0025 | \$ 50.00 | | KWH | 20000 | 0.00351 | \$ 70.26 | |
| | COST OF POWER KWH | 20000 | 0.0756 | \$ 1,511.00 | | COST OF POWER KWH | 20000 | 0.0756 | \$ 1,511.00 | |
| | CURRENT 2001 BILL | | | \$ 1,573.13 | Adjusted 2002 BILL | | | \$ 1,598.36 | \$ 25.23 | 1.6% |

GENERAL SERVICE > 50 KW NON TIME OF USE

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs) | | | | | |
|-------------------------------------|---------------|---------------|--------------|-------|--|-----|---------------|--------------|-------------------|----------------|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | |
| | KW (enter) | RATE \$/KW | CHARGE \$ | | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 29.70 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 41.90 | |
| KW | 0 | 0.8877 | \$ | - | KW | 0 | 1.25239 | \$ | - | |
| COST OF POWER KW | 0 | 6.7650 | \$ | - | COST OF POWER KW | 0 | 6.7650 | \$ | - | |
| COST OF POWER KWH | 0 | 0.0531 | \$ | - | COST OF POWER KWH | 0 | 0.0531 | \$ | - | |
| CURRENT 2001 BILL | | | \$ | 29.70 | Adjusted 2002 BILL | | | \$ | 41.90 | \$ 12.20 41.1% |

| MONTHLY CONSUMPTION 100kW, 30,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % | |
|---|------------------------------|---------------|---------------|--------------|--------------------|------------------------------|---------------|--------------|-------------------|-------------|------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 41.90 | | |
| | DISTRIBUTION KW | 100 | 0.8877 | \$ 88.77 | | DISTRIBUTION KW | 100 | 1.25239 | \$ 125.24 | | |
| | COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | | COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | | |
| | COST OF POWER KWH | 30,000 | 0.0531 | \$ 1,591.50 | | COST OF POWER KWH | 30,000 | 0.0531 | \$ 1,591.50 | | |
| CURRENT 2001 BILL | | | | \$ 2,386.47 | Adjusted 2002 BILL | \$ 2,435.14 | | | | \$ 48.67 | 2.0% |

| MONTHLY CONSUMPTION 100kW, 40,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 100 | 0.8877 | \$ 88.77 | | KW | 100 | 1.25239 | \$ 125.24 | |
| COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | | COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | |
| COST OF POWER KWH | 40,000 | 0.0531 | \$ 2,122.00 | | COST OF POWER KWH | 40,000 | 0.0531 | \$ 2,122.00 | |
| CURRENT 2001 BILL | | | \$ 2,916.97 | Adjusted 2002 BILL | \$ 2,965.64 | | | \$ 48.67 | 1.7% |

| MONTHLY CONSUMPTION 500kW, 100,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % | |
|--|---------|---------------|---------------|--------------|------------------------------|---------|---------------|--------------|-------------------|-------------|------|
| MONTHLY SERVICE CHARGE | n/a | n/a | | 29.70 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 41.90 | | | |
| DISTRIBUTION KW | 500 | 0.8877 | \$ | 443.85 | DISTRIBUTION KW | 500 | 1.25239 | \$ 626.20 | | | |
| COST OF POWER KW | 500 | 6.7650 | \$ | 3,382.50 | COST OF POWER KW | 500 | 6.7650 | \$ 3,382.50 | | | |
| COST OF POWER KWH | 100,000 | 0.0531 | \$ | 5,305.00 | COST OF POWER KWH | 100,000 | 0.0531 | \$ 5,305.00 | | | |
| CURRENT 2001 BILL | | | | \$ 9,161.05 | Adjusted 2002 BILL | | | | \$ 9,355.60 | \$ 194.55 | 2.1% |

| MONTHLY CONSUMPTION | | KW | RATE | CHARGE | | KW | RATE | CHARGE | IMPACT | IMPACT | | | | |
|---------------------|------------------------|---------|--------|--------|-----------|--------------------|------------------------|---------|---------|--------|-----------|----|--------|------|
| 500kW, 250,000kWh | | (enter) | \$/KW | \$ | | | \$/KW | \$ | DOLLARS | % | | | | |
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 29.70 | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 41.90 | | | |
| | DISTRIBUTION KW | 500 | 0.8877 | \$ | 443.85 | | DISTRIBUTION KW | 500 | 1.25239 | \$ | 626.20 | | | |
| | COST OF POWER KW | 500 | 6.7650 | \$ | 3,382.50 | | COST OF POWER KW | 500 | 6.7650 | \$ | 3,382.50 | | | |
| | COST OF POWER KWH | 250,000 | 0.0531 | \$ | 13,262.50 | | COST OF POWER KWH | 250,000 | 0.0531 | \$ | 13,262.50 | | | |
| CURRENT 2001 BILL | | | | \$ | 17,118.55 | Adjusted 2002 BILL | | | | \$ | 17,313.10 | \$ | 194.55 | 1.1% |

| MONTHLY CONSUMPTION 1000kW, 400,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.25239 | \$ 1,252.39 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | 400,000 | 0.0531 | \$ 21,220.00 | | COST OF POWER KWH | 400,000 | 0.0531 | \$ 21,220.00 | |
| CURRENT 2001 BILL | | | \$ 28,902.40 | Adjusted 2002 BILL | | | \$ 29,279.29 | \$ 376.89 | 1.3% |

| MONTHLY CONSUMPTION 1000kW, 500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.25239 | \$ 1,252.39 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | 500,000 | 0.0531 | \$ 26,525.00 | | COST OF POWER KWH | 500,000 | 0.0531 | \$ 26,525.00 | |
| CURRENT 2001 BILL | | | \$ 34,207.40 | Adjusted 2002 BILL | | | \$ 34,584.29 | \$ 376.89 | 1.1% |

| MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.25239 | \$ 3,757.18 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 53,050.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 53,050.00 | |
| CURRENT 2001 BILL | | | \$ 76,037.80 | Adjusted 2002 BILL | | | \$ 77,144.08 | \$ 1,106.28 | 1.5% |

| MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.25239 | \$ 3,757.18 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 79,575.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 79,575.00 | |
| CURRENT 2001 BILL | | | \$ 102,562.80 | Adjusted 2002 BILL | | | \$ 103,669.08 | \$ 1,106.28 | 1.1% |

| MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.25239 | \$ 5,009.57 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 63,660.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 63,660.00 | |
| CURRENT 2001 BILL | | | \$ 94,300.50 | Adjusted 2002 BILL | | | \$ 95,771.47 | \$ 1,470.97 | 1.6% |

| MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 41.90 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.25239 | \$ 5,009.57 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | ##### | 0.0531 | \$ 95,490.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 95,490.00 | |
| CURRENT 2001 BILL | | | \$ 126,130.50 | Adjusted 2002 BILL | | | \$ 127,601.47 | \$ 1,470.97 | 1.2% |

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS

100kW, 40,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|--------|----------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE \$/kWh | | |
| COST OF POWER WINTER PEAK | 20,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|--------|----------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE \$/kWh | | | |
| COST OF POWER WINTER PEAK | 20,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|--------|----------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE \$/kWh | | |
| COST OF POWER SUMMER PEAK | 20,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|--------|----------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE \$/kWh | | | |
| COST OF POWER SUMMER PEAK | 20,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS

4000kW, 1,200,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|---------|----------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE \$/kWh | | |
| COST OF POWER WINTER PEAK | 600,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|---------|----------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE \$/kWh | | | |
| COST OF POWER WINTER PEAK | 600,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|---------|----------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE \$/kWh | | |
| COST OF POWER SUMMER PEAK | 600,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|---------|----------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE \$/kWh | | | |
| COST OF POWER SUMMER PEAK | 600,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS

6000kW, 3,000,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ |
|-------------------------------|-------|----------------|----------------------|
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 |
| DISTRIBUTION kW COST OF POWER | | | |
| Demand Charge | 6000 | 10.8540 | \$ 65,124.00 |
| COST OF POWER | kWh | RATE \$/kWh | |
| WINTER PEAK | ##### | 0.0689 | \$ 103,275.00 |
| WINTER OFF PEAK | ##### | 0.0412 | \$ 61,725.00 |
| MONTHLY SERVICE CHARGE | | | \$ 1,324.91 |
| TOTAL | | | \$ 232,585.31 |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------|-----------|----------------|----------------------|--------------------|-------------|
| DISTRIBUTION kW | 6000 | 0.2673 | \$ 1,603.84 | | |
| DISTRIBUTION kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 10.8540 | \$ 65,124.00 | | |
| COST OF POWER | kWh | RATE \$/kWh | | | |
| WINTER PEAK | ##### | 0.0689 | \$ 103,275.00 | | |
| WINTER OFF PEAK | 1,500,000 | 0.0412 | \$ 61,725.00 | | |
| MONTHLY SERVICE CHARGE | | | \$ 1,868.83 | | |
| TOTAL | | | \$ 233,596.67 | \$ 1,011.36 | 0.4% |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ |
|-------------------------------|-------|----------------|----------------------|
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 |
| DISTRIBUTION kW COST OF POWER | | | |
| Demand Charge | 6000 | 8.1180 | \$ 48,708.00 |
| COST OF POWER | kWh | RATE \$/kWh | |
| SUMMER PEAK | ##### | 0.0582 | \$ 87,225.00 |
| SUMMER OFF PEAK | ##### | 0.0306 | \$ 45,825.00 |
| MONTHLY SERVICE CHARGE | | | \$ 1,324.91 |
| TOTAL | | | \$ 184,219.31 |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------|-----------|----------------|----------------------|--------------------|-------------|
| DISTRIBUTION kW | 6000 | 0.2673 | \$ 1,603.84 | | |
| DISTRIBUTION kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 8.1180 | \$ 48,708.00 | | |
| COST OF POWER | kWh | RATE \$/kWh | | | |
| SUMMER PEAK | ##### | 0.0582 | \$ 87,225.00 | | |
| SUMMER OFF PEAK | 1,500,000 | 0.0306 | \$ 45,825.00 | | |
| MONTHLY SERVICE CHARGE | | | \$ 1,868.83 | | |
| TOTAL | | | \$ 185,230.67 | \$ 1,011.36 | 0.5% |

SHEET 11 - Z-Factor Adder Calculation

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

This schedule allows LDCs to input the Applied for Value for a Z-Factor.

The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.

The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

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

| 1999 Statistics by Class | kW | kWh | Number of Customers | Distribution Revenues | 2001 Revenue Shares | 2002 Z-Factor for Recovery |
|--|---------|------------|---------------------|-----------------------|---------------------|----------------------------|
| RESIDENTIAL CLASS | - | 51,727,477 | 5,610 | \$821,125.00 | 72.60% | \$ - |
| GENERAL SERVICE <50 KW CLASS | - | 26,613,768 | 703 | \$133,827.00 | 11.83% | \$ - |
| GENERAL SERVICE >50 KW NON TIME OF USE | 170,613 | - | 75 | \$142,054.00 | 12.56% | \$ - |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | - | - | \$0.00 | 0.00% | \$ - |
| INTERMEDIATE USE | 0 | - | - | \$0.00 | 0.00% | \$ - |
| LARGE USER CLASS | 53,793 | - | 1 | \$20,799.00 | 1.84% | \$ - |
| SENTINEL LIGHTS | 71 | - | 44 | \$437.00 | 0.04% | \$ - |
| STREET LIGHTING CLASS | 3,816 | - | 1,642 | \$12,820.00 | 1.13% | \$ - |
| TOTALS | | | | \$1,131,062.00 | 1.00 | \$ - |

Residential Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z-Factor Amount for Recovery |
|---|------------------------------------|-----------------------------------|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KWH | 51,727,477 | | |
| (C) NUMBER OF CUSTOMERS | | 5,610 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12) | | \$0.0000 | |

General Service <50kW Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|---|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KWH | 26,613,768 | | |
| (C) NUMBER OF CUSTOMERS | | 703 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12) | | \$0.0000 | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|---|---|--|---|
| | 0.850 | 0.150 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 170,613 | | |
| (C) NUMBER OF CUSTOMERS | | 75 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12) | | \$0.0000 | |

General Service >50kW ClassTOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|---|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12) | | #DIV/0! | |

Intermediate Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|--|---|--|---|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | - | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12) | #DIV/0! | | |

Large User Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|--|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 53,793 | | |
| (C) NUMBER OF CUSTOMERS | 1 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12) | \$0.0000 | | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|--|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 71 | | |
| (C) NUMBER OF CUSTOMERS | 44 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12) | \$0.0000 | | |

Streetlighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | ALLOCATED Z- Factor Amount for Recovery |
|--|---|--|---|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 3,816 | | |
| (C) NUMBER OF CUSTOMERS (Connections) | | 1,642 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12) | \$0.000000 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12) | | \$0.0000 | |

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

| | | | |
|-----------------|-----------------------------|----------------|--------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 9-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.01100 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$13.14777 |
| COST OF POWER KWH RATE | \$0.07675 |

RESIDENTIAL (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.00328 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$3.93029 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.00351 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$17.10829 |
| COST OF POWER KWH RATE | \$0.075550 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.00104 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$5.11172 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$1.25239 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$41.90023 |
| COST OF POWER KW RATE | \$6.765000 |
| COST OF POWER KWH RATE | \$0.053050 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|---------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.26731 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,868.83322 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$4.26002 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.88976 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$1.27333 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.26669 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$2.32282 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.70415 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.69502 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.20965 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

SHEET 13 - Transition Cost Adder Calculation

| | | | |
|-----------------|-----------------------------|----------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

These categories are:

- | | |
|----------------------------------|--------------------|
| 1 Billing Activities | 6 Staff Adjustmen |
| 2 Customer Education Services | 7 Regulatory Cost |
| 3 Wholesale Market Requirements | 8 Taxes |
| 4 IMO Requirements | 9 Regulatory Requi |
| 5 Retailer/Customer Requirements | 10 Other |

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

Enter the applied for Total Value for Transition Costs: **\$ 7,766.67**

| Transition Cost Category | 1 | Allocation | 2 | Allocation | 3 | Allocation |
|--|------|------------|------|------------|------|------------|
| Total | \$ - | | \$ - | | \$ - | |
| RESIDENTIAL CLASS | \$ - | 72.60% | \$ - | 72.60% | \$ - | 72.60% |
| GENERAL SERVICE <50 KW CLASS | \$ - | 11.83% | \$ - | 11.83% | \$ - | 11.83% |
| GENERAL SERVICE >50 KW NON TIME OF USE | \$ - | 12.56% | \$ - | 12.56% | \$ - | 12.56% |
| GENERAL SERVICE >50 KW TIME OF USE | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% |
| INTERMEDIATE USE | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% |
| LARGE USER CLASS | \$ - | 1.84% | \$ - | 1.84% | \$ - | 1.84% |
| SENTINEL LIGHTS | \$ - | 0.04% | \$ - | 0.04% | \$ - | 0.04% |
| STREET LIGHTING CLASS | \$ - | 1.13% | \$ - | 1.13% | \$ - | 1.13% |
| TOTALS | | 100.00% | | 100.00% | | 100.00% |

| | kWh | Number of Customers | Distribution Revenues | 2001 Revenue Shares | 2002 Transition Costs for Recovery |
|--|---------|---------------------|-----------------------|---------------------|------------------------------------|
| 1999 Statistics by Class | kW | | | | |
| RESIDENTIAL CLASS | - | 51,727,477 | 5,610 | \$821,125.00 | 72.60% \$ 5,645.68 |
| GENERAL SERVICE <50 KW CLASS | - | 26,613,768 | 703 | \$133,827.00 | 11.83% \$ 920.13 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 170,613 | - | 75 | \$142,054.00 | 12.56% \$ 976.70 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | - | - | \$0.00 | 0.00% \$ - |
| INTERMEDIATE USE | 0 | - | - | \$0.00 | 0.00% \$ - |
| LARGE USER CLASS | 53,793 | - | 1 | \$20,799.00 | 1.84% \$ 143.00 |
| SENTINEL LIGHTS | 71 | - | 44 | \$437.00 | 0.04% \$ 3.00 |
| STREET LIGHTING CLASS | 3,816 | - | 1,642 | \$12,820.00 | 1.13% \$ 88.14 |
| TOTALS | | | \$1,131,062.00 | 1.00 | 7,766.67 \$ 7,776.67 |

Residential Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|--|------------------------------------|-----------------------------------|------------------------------------|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above) | \$ 2,207.46 | \$ 3,438.22 | \$ 5,645.68 |
| (B) RETAIL KWH | 51,727,477 | | |
| (C) NUMBER OF CUSTOMERS | | 5,610 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.000043 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$0.0511 | |

t Activities
is

uirements

vn in the 2001 Statistics Table below.

| 4 | Allocation | 5 | Allocation | 6 | Allocation | 7 | Allocation | 8 | Allocation | 9 | Allocation | 10 | Allocation | Total |
|---------|------------|---------|------------|---------|------------|---------|------------|---------|------------|-------------|------------|---------|------------|-------------|
| \$ - | | \$ - | | \$ - | | \$ - | | \$ - | | \$ 7,766.67 | | \$ - | | \$ 7,766.67 |
| \$ - | 72.60% | \$ - | 72.60% | \$ - | 72.60% | \$ - | 72.60% | \$ - | 72.60% | \$ 5,638.42 | 72.60% | \$ - | 72.60% | \$ 5,645.68 |
| \$ - | 11.83% | \$ - | 11.83% | \$ - | 11.83% | \$ - | 11.83% | \$ - | 11.83% | \$ 918.95 | 11.83% | \$ - | 11.83% | \$ 920.13 |
| \$ - | 12.56% | \$ - | 12.56% | \$ - | 12.56% | \$ - | 12.56% | \$ - | 12.56% | \$ 975.44 | 12.56% | \$ - | 12.56% | \$ 976.70 |
| \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - |
| \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% | \$ - |
| \$ - | 1.84% | \$ - | 1.84% | \$ - | 1.84% | \$ - | 1.84% | \$ - | 1.84% | \$ 142.82 | 1.84% | \$ - | 1.84% | \$ 143.00 |
| \$ - | 0.04% | \$ - | 0.04% | \$ - | 0.04% | \$ - | 0.04% | \$ - | 0.04% | \$ 3.00 | 0.04% | \$ - | 0.04% | \$ 3.00 |
| \$ - | 1.13% | \$ - | 1.13% | \$ - | 1.13% | \$ - | 1.13% | \$ - | 1.13% | \$ 88.03 | 1.13% | \$ - | 1.13% | \$ 88.14 |
| 100.00% | | 100.00% | | 100.00% | | 100.00% | | 100.00% | | 100.00% | | 100.00% | | \$ 7,776.67 |

General Service <50kW Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above) | \$ 359.77 | \$ 560.36 | \$ 920.13 |
| (B) RETAIL KWH | 26,613,768 | | |
| (C) NUMBER OF CUSTOMERS | | 703 | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.000014 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$0.0664 | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.850 | 0.150 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above) | \$ 830.19 | \$ 146.50 | \$ 976.70 |
| (B) RETAIL KW | 170,613 | | |
| (C) NUMBER OF CUSTOMERS | | 75 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.004866 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$0.1628 | |

General Service >50kW Class TOU

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | 0 | | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | #DIV/0! | |

Intermediate Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.000 | 1.000 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW | | 0 | |
| (C) NUMBER OF CUSTOMERS | | - | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | #DIV/0! | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | #DIV/0! | |

Large User Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above) | \$ 55.91 | \$ 87.09 | \$ 143.00 |
| (B) RETAIL KW | 53,793 | | |
| (C) NUMBER OF CUSTOMERS | | 1 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.001039 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$7.2575 | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above) | \$ 1.17 | \$ 1.83 | \$ 3.00 |
| (B) RETAIL KW | 71 | | |
| (C) NUMBER OF CUSTOMERS | | 44 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.016547 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$0.0035 | |

Streetlighting Class

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

| | VARIABLE CHARGE REVENUE Percentage | SERVICE CHARGE REVENUE Percentage | 2002 Transition Costs for Recovery |
|---|---|--|--|
| | 0.391 | 0.609 | 100% |
| (A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above) | \$ 34.46 | \$ 53.68 | \$ 88.14 |
| (B) RETAIL KW | 3,816 | | |
| (C) NUMBER OF CUSTOMERS (Connections) | | 1,642 | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14) | \$0.009032 | | |
| (E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14) | | \$0.0027 | |

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

| | | | |
|-----------------|-----------------------------|----------------|--------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 9-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|-----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$13.1988 |
| COST OF POWER KWH RATE | \$0.0768 |

RESIDENTIAL (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.0033 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$3.9814 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|------------|
| DISTRIBUTION KWH RATE | \$0.0035 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$17.1747 |
| COST OF POWER KWH RATE | \$0.075550 |

GENERAL SERVICE < 50 KW (TIME OF USE)

| | | | | | |
|---------------------------------------|-------------|-----------------|-------------|-----------------|--|
| DISTRIBUTION KWH RATE | \$0.0011 | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$5.1781 | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK | |
| | \$/KWH | \$/KWH | \$/KWH | \$/KWH | |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$1.2573 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$42.0630 |
| COST OF POWER KW RATE | \$6.765000 |
| COST OF POWER KWH RATE | \$0.053050 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | | | | | |
|---------------------------------------|-------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | #DIV/0! | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | #DIV/0! | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 | \$0.0000 |

LARGE USE

| | | | | | | |
|---------------------------------------|--------------|-------------|-------------|-----------------|-------------|-----------------|
| DISTRIBUTION KW RATE | \$0.2683 | | | | | |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,876.0907 | | | | | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK | WINTER PEAK | WINTER OFF-PEAK | SUMMER PEAK | SUMMER OFF-PEAK |
| | \$/KW | \$/KW | \$/KWH | \$/KWH | \$/KWH | \$/KWH |
| | \$10.8540 | \$8.1180 | \$0.0689 | \$0.0412 | \$0.0582 | \$0.0306 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$4.2766 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.8898 |
| COST OF POWER KW RATE | \$23.4388 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$1.2899 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.2667 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|-----------|
| DISTRIBUTION KW RATE | \$2.3318 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.7069 |
| COST OF POWER KW RATE | \$23.5288 |

OR

STREET LIGHTING (TIME OF USE)

| | | |
|---|-------------|-------------|
| DISTRIBUTION KW RATE | \$0.7041 | |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.2124 | |
| COST OF POWER TIME OF USE RATES | WINTER PEAK | SUMMER PEAK |
| | \$/KW | \$/KW |
| | \$0.0000 | \$0.0000 |

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

| | | | |
|------------------------|-----------------------------|-----------------------|----------------------|
| NAME OF UTILITY | Middlesex Power Corporation | LICENCE NUMBER | ED-1999-0249 |
| NAME OF CONTACT | Dana Witt | PHONE NUMBER | 519-245-2010 ext 226 |
| E- Mail Address | dwitt@middlesexpower.com | | |
| VERSION NUMBER | 2 | | |
| Date | 16-Jan-02 | | |

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition) | | | | |
|---|----------------|----------------|--------------|--|---|----------------|--------------|-------------------|-------------|
| ENTER DESIRED CONSUMPTION LEVEL | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| 100 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 13.20 | |
| | 100 | 0.0078 | \$ 0.78 | | | 0.01104 | \$ 1.10 | | |
| COST OF POWER KWH | 100 | 0.0768 | \$ 7.68 | | COST OF POWER KWH | 100 | 0.0768 | \$ 7.68 | |
| CURRENT 2001 BILL | | | \$ 17.78 | | Adjusted 2002 BILL | | \$ 21.98 | \$ 4.20 | 23.6% |

| MONTHLY CONSUMPTION OF 250 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--|---|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 13.20 | |
| | 250 | 0.0078 | \$ 1.95 | | | 0.01104 | \$ 2.76 | | |
| COST OF POWER KWH | 250 | 0.0768 | \$ 19.19 | | COST OF POWER KWH | 250 | 0.0768 | \$ 19.19 | |
| CURRENT 2001 BILL | | | \$ 30.46 | | Adjusted 2002 BILL | | \$ 35.15 | \$ 4.69 | 15.4% |

| MONTHLY CONSUMPTION OF 500 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--|---|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 13.20 | |
| | 500 | 0.0078 | \$ 3.90 | | | 0.01104 | \$ 5.52 | | |
| COST OF POWER KWH | 500 | 0.0768 | \$ 38.38 | | COST OF POWER KWH | 500 | 0.0768 | \$ 38.38 | |
| CURRENT 2001 BILL | | | \$ 51.60 | | Adjusted 2002 BILL | | \$ 57.09 | \$ 5.50 | 10.7% |

| MONTHLY CONSUMPTION OF 750 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--|---|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 13.20 | |
| | 750 | 0.0078 | \$ 5.85 | | | 0.01104 | \$ 8.28 | | |
| COST OF POWER KWH | 750 | 0.0768 | \$ 57.56 | | COST OF POWER KWH | 750 | 0.0768 | \$ 57.56 | |
| CURRENT 2001 BILL | | | \$ 72.73 | | Adjusted 2002 BILL | | \$ 79.04 | \$ 6.31 | 8.7% |

| MONTHLY CONSUMPTION OF 1000 kWh | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|----------------|----------------|--------------|--|---|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 9.32 | | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ 13.20 | |
| | 1000 | 0.0078 | \$ 7.80 | | | 0.01104 | \$ 11.04 | | |
| COST OF POWER KWH | 1000 | 0.0768 | \$ 76.75 | | COST OF POWER KWH | 1000 | 0.0768 | \$ 76.75 | |
| CURRENT 2001 BILL | | | \$ 93.87 | | Adjusted 2002 BILL | | \$ 100.99 | \$ 7.12 | 7.6% |

| MONTHLY CONSUMPTION OF 1500 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 9.32 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 13.20 | |
| | 1500 | 0.0078 | \$ | 11.70 | | 1500 | 0.01104 | \$ | 16.56 | |
| COST OF POWER KWH | 1500 | 0.0768 | \$ | 115.13 | COST OF POWER KWH | 1500 | 0.0768 | \$ | 115.13 | |
| CURRENT 2001 BILL | | | | \$ 136.15 | Adjusted 2002 BILL | | | \$ 144.89 | \$ 8.74 | 6.4% |

| MONTHLY CONSUMPTION OF 2000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 9.32 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 13.20 | |
| | 2000 | 0.0078 | \$ | 15.60 | | 2000 | 0.01104 | \$ | 22.08 | |
| COST OF POWER KWH | 2000 | 0.0768 | \$ | 153.50 | COST OF POWER KWH | 2000 | 0.0768 | \$ | 153.50 | |
| CURRENT 2001 BILL | | | | \$ 178.42 | Adjusted 2002 BILL | | | \$ 188.78 | \$ 10.36 | 5.8% |

GENERAL SERVICE < 50 KW

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition) | | | | | | |
|---|--|----------------|----------------|--------------|---|-----|----------------|--------------|-------------------|-------------|------|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | | |
| 1000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % | |
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | | n/a | n/a | \$ 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | | n/a | n/a | \$ 17.17 | | |
| | | 1000 | 0.0025 | \$ 2.50 | | | 1000 | 0.00353 | \$ 3.53 | | |
| COST OF POWER KWH | | 1000 | 0.0756 | \$ 75.55 | COST OF POWER KWH | | 1000 | 0.0756 | \$ 75.55 | | |
| CURRENT 2001 BILL | | | | \$ 90.18 | Adjusted 2002 BILL | | | | \$ 96.25 | \$ 6.07 | 6.7% |

| MONTHLY CONSUMPTION 2000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.17 | |
| | 2000 | 0.0025 | \$ | 5.00 | | 2000 | 0.00353 | \$ | 7.05 | |
| COST OF POWER KWH | 2000 | 0.0756 | \$ | 151.10 | COST OF POWER KWH | 2000 | 0.0756 | \$ | 151.10 | |
| CURRENT 2001 BILL | | | | \$ 168.23 | Adjusted 2002 BILL | | | \$ 175.33 | \$ 7.10 | 4.2% |

| MONTHLY CONSUMPTION 5000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.17 | |
| | 5000 | 0.0025 | \$ | 12.50 | | 5000 | 0.00353 | \$ | 17.63 | |
| COST OF POWER KWH | 5000 | 0.0756 | \$ | 377.75 | COST OF POWER KWH | 5000 | 0.0756 | \$ | 377.75 | |
| CURRENT 2001 BILL | | | | \$ 402.38 | Adjusted 2002 BILL | | | \$ 412.56 | \$ 10.18 | 2.5% |

| MONTHLY CONSUMPTION 10,000 kWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------|----------------|----------------|--------------|---|-------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 12.13 | MONTHLY SERVICE CHARGE DISTRIBUTION KWH | n/a | n/a | \$ | 17.17 | |
| | 10000 | 0.0025 | \$ | 25.00 | | 10000 | 0.00353 | \$ | 35.26 | |
| COST OF POWER KWH | 10000 | 0.0756 | \$ | 755.50 | COST OF POWER KWH | 10000 | 0.0756 | \$ | 755.50 | |
| CURRENT 2001 BILL | | | | \$ 792.63 | Adjusted 2002 BILL | | | \$ 807.94 | \$ 15.31 | 1.9% |

| MONTHLY CONSUMPTION 20,000 KWh | | KWH (enter) | RATE \$/KWH | CHARGE \$ | | KWH | RATE \$/KWH | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|------------------------|----------------|----------------|--------------|--------------------|-------|----------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 12.13 | | n/a | n/a | \$ 17.17 | | |
| | DISTRIBUTION KWH | 20000 | 0.0025 | \$ 50.00 | | 20000 | 0.00353 | \$ 70.53 | | |
| | COST OF POWER KWH | 20000 | 0.0756 | \$ 1,511.00 | | 20000 | 0.0756 | \$ 1,511.00 | | |
| | CURRENT 2001 BILL | | | \$ 1,573.13 | Adjusted 2002 BILL | | | \$ 1,598.70 | \$ 25.57 | 1.6% |

GENERAL SERVICE > 50 KW NON TIME OF USE

| CURRENT 2001 BILL | | | | | 2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition) | | | | | |
|---------------------------------|-----|---------------|---------------|--------------|---|-----|---------------|--------------|-------------------|----------------|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | |
| | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 29.70 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 | |
| DISTRIBUTION KW | 0 | 0.8877 | \$ | - | DISTRIBUTION KW | 0 | 1.25726 | \$ | - | |
| COST OF POWER KW | 0 | 6.7650 | \$ | - | COST OF POWER KW | 0 | 6.7650 | \$ | - | |
| COST OF POWER KWH | 0 | 0.0531 | \$ | - | COST OF POWER KWH | 0 | 0.0531 | \$ | - | |
| CURRENT 2001 BILL | | | \$ | 29.70 | Adjusted 2002 BILL | | | \$ | 42.06 | \$ 12.36 41.6% |

| MONTHLY CONSUMPTION 100kW, 30,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------------------------|---------------|---------------|--------------|--------------------|--------|---------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | n/a | n/a | \$ 42.06 | | |
| | DISTRIBUTION KW | 100 | 0.8877 | \$ 88.77 | | 100 | 1.25726 | \$ 125.73 | | |
| | COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | | 100 | 6.7650 | \$ 676.50 | | |
| | COST OF POWER KWH | 30,000 | 0.0531 | \$ 1,591.50 | | 30,000 | 0.0531 | \$ 1,591.50 | | |
| | CURRENT 2001 BILL | | | \$ 2,386.47 | Adjusted 2002 BILL | | | \$ 2,435.79 | \$ 49.32 | 2.1% |

| MONTHLY CONSUMPTION 100kW, 40,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------------------------|---------------|---------------|--------------|--------------------|--------|---------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | n/a | n/a | \$ 42.06 | | |
| | DISTRIBUTION KW | 100 | 0.8877 | \$ 88.77 | | 100 | 1.25726 | \$ 125.73 | | |
| | COST OF POWER KW | 100 | 6.7650 | \$ 676.50 | | 100 | 6.7650 | \$ 676.50 | | |
| | COST OF POWER KWH | 40,000 | 0.0531 | \$ 2,122.00 | | 40,000 | 0.0531 | \$ 2,122.00 | | |
| | CURRENT 2001 BILL | | | \$ 2,916.97 | Adjusted 2002 BILL | | | \$ 2,966.29 | \$ 49.32 | 1.7% |

| MONTHLY CONSUMPTION 500kW, 100,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|------------------------|---------------|---------------|--------------|--------------------|---------|---------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | n/a | n/a | \$ 42.06 | | |
| | DISTRIBUTION KW | 500 | 0.8877 | \$ 443.85 | | 500 | 1.25726 | \$ 628.63 | | |
| | COST OF POWER KW | 500 | 6.7650 | \$ 3,382.50 | | 500 | 6.7650 | \$ 3,382.50 | | |
| | COST OF POWER KWH | 100,000 | 0.0531 | \$ 5,305.00 | | 100,000 | 0.0531 | \$ 5,305.00 | | |
| | CURRENT 2001 BILL | | | \$ 9,161.05 | Adjusted 2002 BILL | | | \$ 9,358.19 | \$ 197.14 | 2.2% |

| MONTHLY CONSUMPTION 500kW, 250,000kWh | | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|------------------------|---------------|---------------|--------------|--------------------|---------|---------------|--------------|-------------------|-------------|
| | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 29.70 | | n/a | n/a | \$ 42.06 | | |
| | DISTRIBUTION KW | 500 | 0.8877 | \$ 443.85 | | 500 | 1.25726 | \$ 628.63 | | |
| | COST OF POWER KW | 500 | 6.7650 | \$ 3,382.50 | | 500 | 6.7650 | \$ 3,382.50 | | |
| | COST OF POWER KWH | 250,000 | 0.0531 | \$ 13,262.50 | | 250,000 | 0.0531 | \$ 13,262.50 | | |
| | CURRENT 2001 BILL | | | \$ 17,118.55 | Adjusted 2002 BILL | | | \$ 17,315.69 | \$ 197.14 | 1.2% |

| MONTHLY CONSUMPTION 1000kW, 400,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.25726 | \$ 1,257.26 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | 400,000 | 0.0531 | \$ 21,220.00 | | COST OF POWER KWH | 400,000 | 0.0531 | \$ 21,220.00 | |
| CURRENT 2001 BILL | | | \$ 28,902.40 | Adjusted 2002 BILL | | | \$ 29,284.32 | \$ 381.92 | 1.3% |

| MONTHLY CONSUMPTION 1000kW, 500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 1000 | 0.8877 | \$ 887.70 | | KW | 1000 | 1.25726 | \$ 1,257.26 | |
| COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | | COST OF POWER KW | 1000 | 6.7650 | \$ 6,765.00 | |
| COST OF POWER KWH | 500,000 | 0.0531 | \$ 26,525.00 | | COST OF POWER KWH | 500,000 | 0.0531 | \$ 26,525.00 | |
| CURRENT 2001 BILL | | | \$ 34,207.40 | Adjusted 2002 BILL | | | \$ 34,589.32 | \$ 381.92 | 1.1% |

| MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.25726 | \$ 3,771.78 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | 1,000,000 | 0.0531 | \$ 53,050.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 53,050.00 | |
| CURRENT 2001 BILL | | | \$ 76,037.80 | Adjusted 2002 BILL | | | \$ 77,158.84 | \$ 1,121.04 | 1.5% |

| MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 3000 | 0.8877 | \$ 2,663.10 | | KW | 3000 | 1.25726 | \$ 3,771.78 | |
| COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | | COST OF POWER KW | 3000 | 6.7650 | \$ 20,295.00 | |
| COST OF POWER KWH | 1,500,000 | 0.0531 | \$ 79,575.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 79,575.00 | |
| CURRENT 2001 BILL | | | \$ 102,562.80 | Adjusted 2002 BILL | | | \$ 103,683.84 | \$ 1,121.04 | 1.1% |

| MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|--------------|--------------------|-------------------------------------|---------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.25726 | \$ 5,029.04 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | 1,200,000 | 0.0531 | \$ 63,660.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 63,660.00 | |
| CURRENT 2001 BILL | | | \$ 94,300.50 | Adjusted 2002 BILL | | | \$ 95,791.10 | \$ 1,490.60 | 1.6% |

| MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh | KW (enter) | RATE \$/KW | CHARGE \$ | | KW | RATE \$/KW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|---------------|---------------|---------------|--------------------|-------------------------------------|---------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 29.70 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 42.06 | |
| KW | 4000 | 0.8877 | \$ 3,550.80 | | KW | 4000 | 1.25726 | \$ 5,029.04 | |
| COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | | COST OF POWER KW | 4000 | 6.7650 | \$ 27,060.00 | |
| COST OF POWER KWH | 1,800,000 | 0.0531 | \$ 95,490.00 | | COST OF POWER KWH | ##### | 0.0531 | \$ 95,490.00 | |
| CURRENT 2001 BILL | | | \$ 126,130.50 | Adjusted 2002 BILL | | | \$ 127,621.10 | \$ 1,490.60 | 1.2% |

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS

100kW, 40,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|--------|---------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE | | |
| | | \$/kWh | | |
| COST OF POWER WINTER PEAK | 20,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|--------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE | | | |
| | | \$/kWh | | | |
| COST OF POWER WINTER PEAK | 20,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|--------|---------------|--------------|--|
| DISTRIBUTION kW | 100 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | |
| | | RATE | | |
| | | \$/kWh | | |
| COST OF POWER SUMMER PEAK | 20,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|--------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 100 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 100 | 0.0000 | \$ - | | |
| | | RATE | | | |
| | | \$/kWh | | | |
| COST OF POWER SUMMER PEAK | 20,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 20,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS

4000kW, 1,200,000kWh

WINTER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|---------|---------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE | | |
| | | \$/kWh | | |
| COST OF POWER WINTER PEAK | 600,000 | 0.0000 | \$ - | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

WINTER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|---------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE | | | |
| | | \$/kWh | | | |
| COST OF POWER WINTER PEAK | 600,000 | 0.0000 | \$ - | | |
| WINTER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | |
|---------------------------|---------|---------------|--------------|--|
| DISTRIBUTION kW | 4000 | 0.0000 | \$ - | |
| kW COST OF POWER | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | |
| | | RATE | | |
| | | \$/kWh | | |
| COST OF POWER SUMMER PEAK | 600,000 | 0.0000 | \$ - | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | |
| MONTHLY SERVICE CHARGE | | | \$ - | |
| TOTAL | | | \$ - | |

SUMMER

| | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------|---------|---------------|--------------|-------------------|-------------|
| DISTRIBUTION kW | 4000 | #DIV/0! | #DIV/0! | | |
| kW COST OF POWER | | | | | |
| Demand Charge | 4000 | 0.0000 | \$ - | | |
| | | RATE | | | |
| | | \$/kWh | | | |
| COST OF POWER SUMMER PEAK | 600,000 | 0.0000 | \$ - | | |
| SUMMER OFF PEAK | 600,000 | 0.0000 | \$ - | | |
| MONTHLY SERVICE CHARGE | | | #DIV/0! | | |
| TOTAL | | | #DIV/0! | #DIV/0! | #DIV/0! |

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

| WINTER | | | | WINTER | | | | | |
|------------------|-----------|----------------|---------------|------------------|-----------|----------------|---------------|-------------------|-------------|
| | KW | RATE \$/kW | CHARGE \$ | | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 | DISTRIBUTION kW | 6000 | 0.2683 | \$ 1,610.08 | | |
| kW COST OF POWER | | | | kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 10.8540 | \$ 65,124.00 | Demand Charge | 6000 | 10.8540 | \$ 65,124.00 | | |
| | | RATE \$/kWh | | | | RATE \$/kWh | | | |
| COST OF POWER | kWh | | | COST OF POWER | kWh | | | | |
| WINTER PEAK | 1,500,000 | 0.0689 | \$ 103,275.00 | WINTER PEAK | ##### | 0.0689 | \$ 103,275.00 | | |
| WINTER OFF | | | | WINTER OFF | | | | | |
| PEAK | 1,500,000 | 0.0412 | \$ 61,725.00 | PEAK | 1,500,000 | 0.0412 | \$ 61,725.00 | | |
| MONTHLY | | | | MONTHLY | | | | | |
| SERVICE | | | | SERVICE | | | | | |
| CHARGE | | | \$ 1,324.91 | CHARGE | | | \$ 1,876.09 | | |
| TOTAL | | | \$ 232,585.31 | TOTAL | | | \$ 233,610.17 | \$ 1,024.86 | 0.4% |
| SUMMER | | | | SUMMER | | | | | |
| | KW | RATE \$/kW | CHARGE \$ | | KW | RATE \$/kW | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| DISTRIBUTION kW | 6000 | 0.1894 | \$ 1,136.40 | DISTRIBUTION kW | 6000 | 0.2683 | \$ 1,610.08 | | |
| kW COST OF POWER | | | | kW COST OF POWER | | | | | |
| Demand Charge | 6000 | 8.1180 | \$ 48,708.00 | Demand Charge | 6000 | 8.1180 | \$ 48,708.00 | | |
| | | RATE \$/kWh | | | | RATE \$/kWh | | | |
| COST OF POWER | kWh | | | COST OF POWER | kWh | | | | |
| SUMMER PEAK | 1,500,000 | 0.0582 | \$ 87,225.00 | SUMMER PEAK | ##### | 0.0582 | \$ 87,225.00 | | |
| SUMMER OFF | | | | SUMMER OFF | | | | | |
| PEAK | 1,500,000 | 0.0306 | \$ 45,825.00 | PEAK | 1,500,000 | 0.0306 | \$ 45,825.00 | | |
| MONTHLY | | | | MONTHLY | | | | | |
| SERVICE | | | | SERVICE | | | | | |
| CHARGE | | | \$ 1,324.91 | CHARGE | | | \$ 1,876.09 | | |
| TOTAL | | | \$ 184,219.31 | TOTAL | | | \$ 185,244.17 | \$ 1,024.86 | 0.6% |

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

RP-2002-0094
EB-2002-0103

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.

RESIDENTIAL

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$13.20 |
| Distribution Volumetric Rate | (per kWh) | \$0.0110 |
| Cost of Power Rate | (per kWh) | \$0.0768 |

RESIDENTIAL (Time of Use)

| | | |
|---------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$3.98 |
| Distribution Volumetric Rate | (per kWh) | \$0.0033 |
| Cost of Power - Winter Peak | (per kWh) | \$0.0000 |
| Cost of Power - Winter Off Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Off Peak | (per kWh) | \$0.0000 |

GENERAL SERVICE < 50 KW

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$17.17 |
| Distribution Volumetric Rate | (per kWh) | \$0.0035 |
| Cost of Power Rate | (per kWh) | \$0.0756 |

GENERAL SERVICE < 50 KW (Time of Use)

| | | |
|---------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$5.18 |
| Distribution Volumetric Rate | (per kWh) | \$0.0011 |
| Cost of Power - Winter Peak | (per kWh) | \$0.0000 |
| Cost of Power - Winter Off Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Off Peak | (per kWh) | \$0.0000 |

GENERAL SERVICE > 50 KW (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$42.06 |
| Distribution Volumetric Rate | (per kW) | \$1.2573 |
| Cost of Power Demand Rate | (per kW) | \$6.7650 |
| Cost of Power Energy Rate | (per kWh) | \$0.0531 |

Schedule of Rates and Charges

GENERAL SERVICE > 50 KW (Time of Use)

| | | |
|---------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | #DIV/0! |
| Distribution Volumetric Rate | (per kW) | #DIV/0! |
| Cost of Power - Winter Peak | (per kW) | \$0.0000 |
| Cost of Power - Summer Peak | (per kW) | \$0.0000 |
| Cost of Power - Winter Peak | (per kWh) | \$0.0000 |
| Cost of Power - Winter Off Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Off Peak | (per kWh) | \$0.0000 |

GENERAL SERVICE INTERMEDIATE USE

| | | |
|---------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | #DIV/0! |
| Distribution Volumetric Rate | (per kW) | #DIV/0! |
| Cost of Power - Winter Peak | (per kW) | \$0.0000 |
| Cost of Power - Summer Peak | (per kW) | \$0.0000 |
| Cost of Power - Winter Peak | (per kWh) | \$0.0000 |
| Cost of Power - Winter Off Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Peak | (per kWh) | \$0.0000 |
| Cost of Power - Summer Off Peak | (per kWh) | \$0.0000 |

LARGE USE

| | | |
|---------------------------------|-------------|------------|
| Monthly Service Charge | (per month) | \$1,876.09 |
| Distribution Volumetric Rate | (per kW) | \$0.2683 |
| Cost of Power - Winter Peak | (per kW) | \$10.8540 |
| Cost of Power - Summer Peak | (per kW) | \$8.1180 |
| Cost of Power - Winter Peak | (per kWh) | \$0.0689 |
| Cost of Power - Winter Off Peak | (per kWh) | \$0.0412 |
| Cost of Power - Summer Peak | (per kWh) | \$0.0582 |
| Cost of Power - Summer Off Peak | (per kWh) | \$0.0306 |

Schedule of Rates and Charges

SENTINEL LIGHTS (Non Time of Use)

| | | |
|------------------------------|-------------|-----------|
| Monthly Service Charge | (per month) | \$0.89 |
| Distribution Volumetric Rate | (per kW) | \$4.2766 |
| Cost of Power Demand Rate | (per kW) | \$23.4388 |

SENTINEL LIGHTS (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.27 |
| Distribution Volumetric Rate | (per kW) | \$1.2899 |
| Cost of Power - Winter | (per kW) | \$0.0000 |
| Cost of Power - Summer | (per kW) | \$0.0000 |

STREET LIGHTING (Non Time of Use)

| | | |
|------------------------------|-------------|-----------|
| Monthly Service Charge | (per month) | \$0.71 |
| Distribution Volumetric Rate | (per kW) | \$2.3318 |
| Cost of Power Demand Rate | (per kW) | \$23.5288 |

STREET LIGHTING (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.21 |
| Distribution Volumetric Rate | (per kW) | \$0.7041 |
| Cost of Power - Winter | (per kW) | \$0.0000 |
| Cost of Power - Summer | (per kW) | \$0.0000 |

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

| | | |
|--|----|--------|
| New Account Setup | \$ | 32.00 |
| Change of Occupancy | \$ | 8.80 |
| Account History | | |
| Administration Fee | \$ | - |
| Current Year Data | \$ | - |
| Each Additional Year Data | \$ | - |
| Arrear's Certificate | \$ | 10.70 |
| Late Payment | | 1.50% |
| Returned Cheque | \$ | 8.55 |
| Collection of Account Charge | \$ | 8.80 |
| Disconnect/Reconnect Charges (non payment of account) | | |
| At Meter - During Regular Hours | \$ | 17.60 |
| At Meter - After Hours | \$ | 27.80 |
| Temporary Pole Service | \$ | 425.00 |
| After Hours High Voltage Station Outage | \$ | - |
| Residential Service 2nd Visit to Connect New Service | \$ | - |
| Residential Service After Hours Visit to Connect New Service | \$ | - |
| Diversity Adjustmen: Winter | \$ | 0.70 |
| (discontinued at Mar Summer | \$ | 0.89 |
| Dispute Involvement charges | \$ | 5.00 |
| Non utility step down facility (per kW) | \$ | 0.60 |

Attachment 29

**2004 Original RAM Model
EB-2004-0022**

SHEET 1 - December 31, 2002 Regulatory Assets

V1

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)

| Description | Account Number | Applied-for Amount Balance as at Dec. 31, 2002 |
|---|----------------|---|
| RSVA - Wholesale Market Service Charge | 1580 | \$294,193 |
| RSVA - Retail Transmission Network Charge | 1584 | \$16,324 |
| RSVA - Retail Transmission Connection Charge | 1586 | \$20,384 |
| RSVA - Power | 1588 | \$0 |
| Sub-Total | | \$330,901 |
| RSVA - One-time Wholesale Market Service | 1582 | \$0 |
| Other Regulatory Assets | 1508 | \$0 |
| Retail Cost Variance Account - Retail | 1518 | \$0 |
| Retail Cost Variance Account - STR | 1548 | \$0 |
| Misc. Deferred Debits - incl. Rebate Cheques | 1525 | \$0 |
| Deferred Payments in Lieu of Taxes | 1562 | \$8,215 |
| PILs Contra Account | 1563 | \$0 |
| Qualifying Transition Costs | 1570 | \$160,120 |
| Pre-Market Opening Energy Variances Total | 1571 | \$359,496 |
| Pre-Market Opening Energy Variances - 2001 | | \$228,116 |
| Pre-Market Opening Energy Variances - 2002 | | \$131,380 |
| Extra-Ordinary Event Losses | 1572 | \$0 |
| Deferred Rate Impact Amounts | 1574 | \$0 |
| Other Deferred Credits | 2425 | \$0 |
| Total Applied-for Regulatory Assets | (a) | \$858,732 |
| (1) Total of 4 RSVA Accounts | (b) | \$330,901 Approved for 2004 Final Recovery |
| 4 RSVA accounts as a percent of total: (b) / (a) | | 38.5% |
| (2) 25 % of (a) | (c) | \$214,683 |

If (b) is greater than (c) go to Section 1

If (b) is less than (c) go to Section 2

Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:

| | | |
|--|-----------|--|
| 25% of total applied-for Regulatory Asset Accounts: Amount (c) | \$214,683 | Approved for Final 2004 Rate Recovery |
| Gross Up for Recovery over 11 months: Amount (c) x 12/11 | \$234,200 | Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.) |
| Remaining Final Amount to be recovered in future periods (b) - (c) | \$116,218 | Ignore minus sign |

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:

| | | | |
|---|-----|---|---------------------------------|
| 25% of total applied-for Regulatory Asset Accounts: Amount (c) | | \$214,683 | Approved for 2004 Rate Recovery |
| Final 4 RSVA Amount as shown at (b) | | \$330,901 | |
| Gross Up for Recovery over 11 months: Amount (b) x 12/11 | | <input type="text" value="\$360,983"/> | Enter this amount on Sheet 3 |
| Interim Amount to be recovered (c) - (b) | (d) | -\$116,218 | |
| Gross Up for Recovery over 11 months: Amount (d) x 12/11 | | <input type="text" value="-\$126,783"/> | Enter this amount on Sheet 5 |
| Total Final + Interim Amount for Recovery (b) + (d) (no gross up) | | \$214,683 | |

Rate Implementation**Check Box**

Yes or No

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

SHEET 2 - 2002 Base Rate Schedule

V1

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.

This is the version of the model that was used to determine your current OEB approved rate schedule.

(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates).

You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0096

MONTHLY SERVICE CHARGE (Per Customer) \$11.42

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0018

MONTHLY SERVICE CHARGE (Per Customer) \$2.20

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0031

MONTHLY SERVICE CHARGE (Per Customer) \$14.86

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.0879

MONTHLY SERVICE CHARGE (Per Customer) \$36.40

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

LARGE USE

DISTRIBUTION KW RATE \$0.2322

MONTHLY SERVICE CHARGE (Per Customer) \$1,623.52

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.7007

MONTHLY SERVICE CHARGE (Per Connection) \$0.77

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.7140

MONTHLY SERVICE CHARGE (Per Connection) \$0.15

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.0175

MONTHLY SERVICE CHARGE (Per Connection) \$0.61

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$0.3897

MONTHLY SERVICE CHARGE (Per Connection) \$0.12

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.

Please enter these charges exactly as they are entered on your current approved rate schedule.

Please add your own specific charges as necessary.

| | | |
|--|--------|--------|
| New Account Setup | \$ | 32.00 |
| Change of Occupancy | \$ | 8.80 |
| Account History | | |
| Administration Fee | \$ | - |
| Current Year Data | \$ | - |
| Each Additional Year Data | \$ | - |
| Arrear's Certificate | \$ | 10.70 |
| Late Payment | | 1.50% |
| Returned Cheque | \$ | 8.55 |
| Collection of Account Charge | \$ | 8.80 |
| Disconnect/Reconnect Charges (non payment of account) | | |
| At Meter - During Regular Hours | \$ | 17.60 |
| At Meter - After Hours | \$ | 27.80 |
| Temporary Pole Service | \$ | 425.00 |
| After Hours High Voltage Station Outage | \$ | - |
| Residential Service 2nd Visit to Connect New Service | \$ | - |
| Residential Service After Hours Visit to Connect New Service | \$ | - |
| Diversity Adjustment Credit (per KW) | Winter | \$ - |
| (discontinued at Market Opening) | Summer | \$ - |

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

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72. \$ 234,200.00
If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regualtory Assets applied for,
enter the additional interim approved amount on Sheet 5.

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

| 2002 Statistics by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2002 kWh Shares | 2002 Reg. Asset RSVA Allocations |
|--|---------|---|-----------------------------------|-----------------------|-----------------|----------------------------------|
| RESIDENTIAL CLASS | - | 56,688,715 | 5,823 | \$1,446,798.00 | 34.8% | \$ 81,508.00 |
| GENERAL SERVICE <50 KW CLASS | 21,337 | 25,925,932 | 678 | \$250,323.00 | 15.9% | \$ 37,277.00 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 147,123 | 75,027,373 | 100 | \$212,165.00 | 46.1% | \$ 107,876.00 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | 0 | 0 | \$0.00 | 0.0% | \$ - |
| INTERMEDIATE USE | 0 | 0 | 0 | \$0.00 | 0.0% | \$ - |
| LARGE USER CLASS | 69,854 | 41,313,752 | 1 | -\$3,919.00 | 2.3% | \$ 5,354.00 |
| SENTINEL LIGHTS | 147 | 47,446 | 46 | \$635.00 | 0.0% | \$ 68.00 |
| STREET LIGHTING CLASS | 3,886 | 1,472,438 | 3 | \$25,477.00 | 0.9% | \$ 2,117.00 |
| TOTALS | | 200,475,656 | 6,651 | \$1,931,479.00 | 1.00 | \$ 234,200.00 |
| | | Allocated Total for 4 major RSVA accounts ==> | | | | \$ 234,200.00 |

Residential Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|--|-------------------------------------|------------------------------------|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above) | \$ 81,508.00 | \$ - | \$ 81,508.00 |
| (B) RETAIL kWh in 2002 | 56,688,715 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.001438 | | |

General Service <50kW Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|--|-------------------------------------|------------------------------------|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G23 above) | \$ 37,277.00 | \$ - | \$ 37,277.00 |
| (B) RETAIL kWh in 2002 | 25,925,932 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.001438 | | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above) | \$ 107,876.00 | \$ - | \$ 107,876.00 |
| (B) RETAIL KW in 2002 | 147,123 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.733237 | | |

General Service >50kW Class TOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Intermediate Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G26 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Large User Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 above) | \$ 5,354.00 | \$ - | \$ 5,354.00 |
| (B) RETAIL KW in 2002 | 69,854 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.076646 | | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above) | \$ 68.00 | \$ - | \$ 68.00 |
| (B) RETAIL KW in 2002 | 147 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.462585 | | |

Streetlighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G29 above) | \$ 2,117.00 | \$ - | \$ 2,117.00 |
| (B) RETAIL KW in 2002 | 3,886 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.544776 | | |

SHEET 4 - 2004 Rates including 2004 Recovery of the 4 Major RSVA Accounts

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of the 4 major RSVA accounts.

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11.42 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0032 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.20 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0045 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$14.86 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.8211 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$36.40 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

GENERAL SERVICE INTERMEDIATE USE

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

LARGE USE

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.3088 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,623.52 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$4.1633 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.77 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.1766 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.15 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$2.5623 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.61 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$0.9345 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.12 |

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

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

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

Enter the Interim Regulatory Asset recovery from Sheet 1 at cell D76.

\$ -

| 2002 Statistics by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2002 Dist. Rev. Shares | 2002 Interim Reg. Asset Allocations |
|--|---------|--|-----------------------------------|-----------------------|------------------------|-------------------------------------|
| RESIDENTIAL CLASS | - | 56,688,715 | 5,823 | \$1,446,798.00 | 74.9% | \$ - |
| GENERAL SERVICE <50 KW CLASS | 21,337 | 25,925,932 | 678 | \$250,323.00 | 13.0% | \$ - |
| GENERAL SERVICE >50 KW NON TIME OF USE | 147,123 | 75,027,373 | 100 | \$212,165.00 | 11.0% | \$ - |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | 0 | 0 | \$0.00 | 0.0% | \$ - |
| INTERMEDIATE USE | 0 | 0 | 0 | \$0.00 | 0.0% | \$ - |
| LARGE USER CLASS | 69,854 | 41,313,752 | 1 | (\$3,919.00) | -0.2% | \$ - |
| SENTINEL LIGHTS | 147 | 47,446 | 46 | \$635.00 | 0.0% | \$ - |
| STREET LIGHTING CLASS | 3,886 | 1,472,438 | 3 | \$25,477.00 | 1.3% | \$ - |
| TOTALS | | 200,475,656 | 6,651 | \$1,931,479.00 | 1.00 | \$ - |
| | | Allocated Total for additional interim amounts ==> | | | | \$ - |

Residential Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|--|-------------------------------------|------------------------------------|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above) | \$ - | \$ - | \$ - |
| (B) RETAIL kWh in 2002 | 56,688,715 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000000 | | |

General Service <50kW Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|--|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G23 above) | \$ - | \$ - | \$ - |
| (B) RETAIL kWh in 2002 | 25,925,932 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000000 | | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 147,123 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000000 | | |

General Service >50kW ClassTOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Intermediate Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G26 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Large User Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 69,854 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000000 | | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|---|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G28 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 147 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.000000 | | |

Streetlighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | | SERVICE CHARGE RECOVERY Percentage | | TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery |
|---|--|------------|---|---|--|
| | 1.000 | | 0.000 | | 100% |
| (A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G29 above) | \$ | - | \$ | - | \$ - |
| (B) RETAIL KW in 2002 | | 3,886 | | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | | \$0.000000 | | | |

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

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11.42 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0032 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.20 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0045 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$14.86 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.8211 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$36.40 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

GENERAL SERVICE INTERMEDIATE USE

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

LARGE USE

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.3088 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,623.52 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$4.1633 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.77 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.1766 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.15 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$2.5623 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.61 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$0.9345 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.12 |

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

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

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

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

\$ 220,022.17

| 2002 Statistics by Class | kWh | Number of Customers (Connections) | Distribution Revenues | 2002 Dist. Rev. Shares | 2002 Rate Change Allocation | 2004 PILs Proxy Allocations |
|--|--|-----------------------------------|-----------------------|------------------------|-----------------------------|-----------------------------|
| RESIDENTIAL CLASS | - | 56,688,715 | \$1,446,798.00 | 74.9% | 72.6% | \$ 159,736.10 |
| GENERAL SERVICE <50 KW CLASS | 21,337 | 25,925,932 | \$250,323.00 | 13.0% | 11.8% | \$ 26,028.62 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 147,123 | 75,027,373 | \$212,165.00 | 11.0% | 12.6% | \$ 27,634.78 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | 0 | \$0.00 | 0.0% | 0.0% | \$ - |
| INTERMEDIATE USE | 0 | 0 | \$0.00 | 0.0% | 0.0% | \$ - |
| LARGE USER CLASS | 69,854 | 41,313,752 | (\$3,919.00) | -0.2% | 1.8% | \$ 4,048.41 |
| SENTINEL LIGHTS | 147 | 47,446 | \$635.00 | 0.0% | 0.0% | \$ 88.01 |
| STREET LIGHTING CLASS | 3,886 | 1,472,438 | \$25,477.00 | 1.3% | 1.1% | \$ 2,486.25 |
| TOTALS | 200,475,656 | 6,651 | \$1,931,479.00 | 1.00 | | \$ 220,022.17 |
| | Allocated Total for additional interim amounts ==> | | | | | \$ 220,022.17 |

Residential Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|-------------------------------------|------------------------------------|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above) | \$ 159,736.10 | \$ - | \$ 159,736.10 |
| (B) RETAIL kWh in 2002 | 56,688,715 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.002818 | | |

General Service <50kW Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|-------------------------------------|------------------------------------|--|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G23 above) | \$ 26,028.62 | \$ - | \$ 26,028.62 |
| (B) RETAIL kWh in 2002 | 25,925,932 | | |
| (D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.001004 | | |

General Service >50kW Class Non TOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G24 above) | \$ 27,634.78 | \$ - | \$ 27,634.78 |
| (B) RETAIL KW in 2002 | 147,123 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.187835 | | |

General Service >50kW Class TOU

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G25 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Intermediate Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G26 above) | \$ - | \$ - | \$ - |
| (B) RETAIL KW in 2002 | 0 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | #DIV/0! | | |

Large User Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G27 above) | \$ 4,048.41 | \$ - | \$ 4,048.41 |
| (B) RETAIL KW in 2002 | 69,854 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.057955 | | |

Sentinel Lighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G28 above) | \$ 88.01 | \$ - | \$ 88.01 |
| (B) RETAIL KW in 2002 | 147 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.598700 | | |

Streetlighting Class

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

| | VARIABLE CHARGE RECOVERY Percentage | SERVICE CHARGE RECOVERY Percentage | TOTAL 2004 ALLOCATED PILs Proxy Recovery |
|---|--|---|---|
| | 1.000 | 0.000 | 100% |
| (A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G29 above) | \$ 2,486.25 | \$ - | \$ 2,486.25 |
| (B) RETAIL KW in 2002 | 3,886 | | |
| (D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4) | \$0.639797 | | |

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of 2004 PILs.

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0139 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11.42 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0061 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2.20 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0055 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$14.86 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$2.0090 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$36.40 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

GENERAL SERVICE INTERMEDIATE USE

| | |
|---------------------------------------|---------|
| DISTRIBUTION KW RATE | #DIV/0! |
| MONTHLY SERVICE CHARGE (Per Customer) | \$0.00 |

LARGE USE

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.3668 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,623.52 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$4.7620 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.77 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.7753 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.15 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$3.2021 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.61 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.5743 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.12 |

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

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

| 2002 Statistics by Class | kW | kWh | Number of Customers (Connections) | Current Approved Fixed Charge |
|--|---------|-------------|-----------------------------------|-------------------------------|
| RESIDENTIAL CLASS | - | 56,688,715 | 5,823 | \$13.20 |
| GENERAL SERVICE <50 KW CLASS | 21,337 | 25,925,932 | 678 | \$17.17 |
| GENERAL SERVICE >50 KW NON TIME OF USE | 147,123 | 75,027,373 | 100 | \$42.06 |
| GENERAL SERVICE >50 KW TIME OF USE | 0 | 0 | 0 | \$0.00 |
| INTERMEDIATE USE | 0 | 0 | 0 | \$0.00 |
| LARGE USER CLASS | 69,854 | 41,313,752 | 1 | \$1,876.09 |
| SENTINEL LIGHTS | 147 | 47,446 | 46 | \$0.89 |
| STREET LIGHTING CLASS | 3,886 | 1,472,438 | 3 | \$0.71 |
| TOTALS | | 200,475,656 | 6,651 | |

Residential Class

| | |
|--|-----------|
| Revenue from Current Monthly Service Charge | \$922,363 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$797,984 |
| Difference | \$124,379 |

| | | | |
|--------------------------|--------|----|-----------|
| Variable Rate Adjustment | \$/kWh | \$ | 0.0022 |
| Adjusted Variable Rate | \$/kWh | | \$ 0.0117 |

Residential Class (Time of Use)

| | |
|--|-----------|
| Revenue from Current Monthly Service Charge | \$922,363 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$797,984 |
| Difference | \$124,379 |

| | | | |
|--------------------------|--------|----|-----------|
| Variable Rate Adjustment | \$/kWh | \$ | 0.0022 |
| Adjusted Variable Rate | \$/kWh | | \$ 0.0039 |

General Service <50 kW Class

| | |
|--|-----------|
| Revenue from Current Monthly Service Charge | \$139,695 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$120,901 |
| Difference | \$18,794 |

| | | | |
|--------------------------|--------|----|-----------|
| Variable Rate Adjustment | \$/kWh | \$ | 0.0007 |
| Adjusted Variable Rate | \$/kWh | | \$ 0.0048 |

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

| | |
|--|----------|
| Revenue from Current Monthly Service Charge | \$50,472 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$43,680 |
| Difference | \$6,792 |

| | | | |
|--------------------------|-------|----|-----------|
| Variable Rate Adjustment | \$/kW | \$ | 0.0462 |
| Adjusted Variable Rate | \$/kW | | \$ 1.9628 |

General Service >50 kW Class (Time of Use)

| | |
|--|-----|
| Revenue from Current Monthly Service Charge | \$0 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$0 |
| Difference | \$0 |

| | | |
|--------------------------|-------|---------|
| Variable Rate Adjustment | \$/kW | #DIV/0! |
| Adjusted Variable Rate | \$/kW | #DIV/0! |

General Service Intermediate Use Class

| | |
|--|-----|
| Revenue from Current Monthly Service Charge | \$0 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$0 |
| Difference | \$0 |

| | | |
|--------------------------|-------|---------|
| Variable Rate Adjustment | \$/kW | #DIV/0! |
| Adjusted Variable Rate | \$/kW | #DIV/0! |

General Service Large Use Class

| | |
|--|----------|
| Revenue from Current Monthly Service Charge | \$22,513 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$19,482 |
| Difference | \$3,031 |

| | | |
|--------------------------|-------|-----------|
| Variable Rate Adjustment | \$/kW | 0.04 |
| Adjusted Variable Rate | \$/kW | \$ 0.3234 |

Sentinal Lights (Non Time of Use)

| | |
|--|-------|
| Revenue from Current Monthly Service Charge | \$491 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$425 |
| Difference | \$66 |

| | | |
|--------------------------|-------|-------------|
| Variable Rate Adjustment | \$/kW | 0.450612245 |
| Adjusted Variable Rate | \$/kW | \$ 4.3114 |

OR**Sentinal Lights (Time of Use)**

| | |
|--|-------|
| Revenue from Current Monthly Service Charge | \$491 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$83 |
| Difference | \$408 |

| | | |
|--------------------------|-------|-------------|
| Variable Rate Adjustment | \$/kW | 2.77877551 |
| Adjusted Variable Rate | \$/kW | \$ (1.0035) |

Streetlighting (Non Time of Use)

| | |
|--|------|
| Revenue from Current Monthly Service Charge | \$26 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$22 |
| Difference | \$4 |

| | | |
|--------------------------|-------|-----------|
| Variable Rate Adjustment | \$/kW | 0.0009 |
| Adjusted Variable Rate | \$/kW | \$ 3.2011 |

OR**Streetlighting (Time of Use)**

| | |
|--|------|
| Revenue from Current Monthly Service Charge | \$26 |
| Revenue from Calculated Monthly Service Charge (Sheet 8) | \$4 |
| Difference | \$21 |

| | | |
|--------------------------|-------|-----------|
| Variable Rate Adjustment | \$/kW | 0.01 |
| Adjusted Variable Rate | \$/kW | \$ 1.5688 |

Middlesex Power Distribution Corporation
Schedule of Distribution Rates and Charges

Effective April 1, 2004 until February 28, 2005

RP-2004-0066
EB-2004-0052

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$13.20 |
| Distribution Volumetric Rate | (per kWh) | \$0.0117 |

RESIDENTIAL (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$13.20 |
| Distribution Volumetric Rate | (per kWh) | \$0.0039 |

GENERAL SERVICE < 50 KW

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$17.17 |
| Distribution Volumetric Rate | (per kWh) | \$0.0048 |

GENERAL SERVICE > 50 KW (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$42.06 |
| Distribution Volumetric Rate | (per kW) | \$1.9628 |

GENERAL SERVICE > 50 KW (Time of Use)

| | | |
|------------------------------|-------------|-----|
| Monthly Service Charge | (per month) | N/A |
| Distribution Volumetric Rate | (per kW) | N/A |

GENERAL SERVICE INTERMEDIATE USE

| | | |
|------------------------------|-------------|-----|
| Monthly Service Charge | (per month) | N/A |
| Distribution Volumetric Rate | (per kW) | N/A |

LARGE USE

| | | |
|------------------------------|-------------|------------|
| Monthly Service Charge | (per month) | \$1,876.09 |
| Distribution Volumetric Rate | (per kW) | \$0.3234 |

**Middlesex Power Distribution Corporation
Schedule of Distribution Rates and Charges**

Effective April 1, 2004 until February 28, 2005

(continued)

RP-2004-0066

EB-2004-0052

SENTINEL LIGHTS (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.89 |
| Distribution Volumetric Rate | (per kW) | \$4.3114 |

SENTINEL LIGHTS (Time of Use)

| | | |
|------------------------------|-------------|-----------|
| Monthly Service Charge | (per month) | \$0.89 |
| Distribution Volumetric Rate | (per kW) | -\$1.0035 |

STREET LIGHTING (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.71 |
| Distribution Volumetric Rate | (per kW) | \$3.2011 |

STREET LIGHTING (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.71 |
| Distribution Volumetric Rate | (per kW) | \$1.5688 |

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES HERE (as on Sheet 2)

| | |
|---|-----------|
| New Account Setup | \$ 32.00 |
| Change of Occupancy | \$ 8.80 |
| Account History | |
| Administration Fee | \$ - |
| Current Year Data | \$ - |
| Each Additional Year | \$ - |
| Arrear's Certificate | \$ 10.70 |
| Late Payment | 1.50% |
| Returned Cheque | \$ 8.55 |
| Collection of Account Charge | \$ 8.80 |
| Disconnect/Reconnect Charges (non payment of account) | |
| At Meter - During Regular Hours | \$ 17.60 |
| At Meter - After Hours | \$ 27.80 |
| Temporary Pole Service | \$ 425.00 |
| After Hours High Voltage Station Outage | \$ - |
| Residential Service 2nd Visit to Connect | \$ - |
| Residential Service After Hours Visit | \$ - |
| Diversity Adjustment Cr Winter | \$ - |
| (discontinued at Market Summer | \$ - |

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

(commodity price constant)

NAME OF UTILITY Middlesex Power Distributin Corp
NAME OF CONTACT Jim Hogan
E- Mail Address jimhogan@ckenergy.com
VERSION NUMBER 0
Date 15-Jan-04

LICENCE NUMBER ED-2003-0059
PHONE NUMBER 519-352-6300
FILE NUMBER RP-2004-0066
 EB-2004-0052

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

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

**Enter your
Current Distribution
kWh Charge.
Monthly Service Charge is
Transferred from Sheet 9**

RESIDENTIAL CLASS

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

| CURRENT 2003 BILL | | | | | 2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price) | | | | |
|-------------------------------------|----------------|----------------|--------------|--|--|----------------|--------------|-------------------|-------------|
| ENTER DESIRED CONSUMPTION LEVEL | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| 100 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| OTHER kWh | 100 | 0.0110 | \$ 1.10 | | OTHER kWh | 100 | 0.0117 | \$ 1.17 | |
| CHARGES kWh COST OF POWER | 100 | 0.0239 | \$ 2.39 | | CHARGES kWh COST OF POWER | 100 | 0.0239 | \$ 2.39 | |
| | 100 | 0.0430 | \$ 4.30 | | | 100 | 0.0430 | \$ 4.30 | |
| CURRENT 2003 BILL | | | \$ 20.99 | | Adjusted 2004 BILL | | \$ 21.06 | \$ 0.07 | 0.3% |
| MONTHLY CONSUMPTION OF 250 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| OTHER kWh | 250 | 0.0110 | \$ 2.75 | | OTHER kWh | 250 | 0.0117 | \$ 2.92 | |
| CHARGES kWh COST OF POWER | 250 | 0.0239 | \$ 5.98 | | CHARGES kWh COST OF POWER | 250 | 0.0239 | \$ 5.98 | |
| | 250 | 0.0430 | \$ 10.75 | | | 250 | 0.0430 | \$ 10.75 | |
| CURRENT 2003 BILL | | | \$ 32.68 | | Adjusted 2004 BILL | | \$ 32.84 | \$ 0.17 | 0.5% |
| MONTHLY CONSUMPTION OF 500 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| OTHER kWh | 500 | 0.0110 | \$ 5.50 | | OTHER kWh | 500 | 0.0117 | \$ 5.83 | |
| CHARGES kWh COST OF POWER | 500 | 0.0239 | \$ 11.95 | | CHARGES kWh COST OF POWER | 500 | 0.0239 | \$ 11.95 | |
| | 500 | 0.0430 | \$ 21.50 | | | 500 | 0.0430 | \$ 21.50 | |
| CURRENT 2003 BILL | | | \$ 52.15 | | Adjusted 2004 BILL | | \$ 52.48 | \$ 0.33 | 0.6% |
| MONTHLY CONSUMPTION OF 750 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| OTHER kWh | 750 | 0.0110 | \$ 8.25 | | OTHER kWh | 750 | 0.0117 | \$ 8.75 | |
| CHARGES kWh COST OF POWER | 750 | 0.0239 | \$ 17.93 | | CHARGES kWh COST OF POWER | 750 | 0.0239 | \$ 17.93 | |
| | 750 | 0.0430 | \$ 32.25 | | | 750 | 0.0430 | \$ 32.25 | |
| CURRENT 2003 BILL | | | \$ 71.63 | | Adjusted 2004 BILL | | \$ 72.12 | \$ 0.50 | 0.7% |
| MONTHLY CONSUMPTION OF 1000 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| OTHER kWh | 1000 | 0.0110 | \$ 11.00 | | OTHER kWh | 1000 | 0.0117 | \$ 11.66 | |
| CHARGES kWh COST OF POWER | 1000 | 0.0239 | \$ 23.90 | | CHARGES kWh COST OF POWER | 1000 | 0.02390 | \$ 23.90 | |
| | 1000 | 0.0430 | \$ 43.00 | | | 1000 | 0.0430 | \$ 43.00 | |
| CURRENT 2003 BILL | | | \$ 91.10 | | Adjusted 2004 BILL | | \$ 91.76 | \$ 0.66 | 0.7% |

| MONTHLY CONSUMPTION OF 1500 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 13.20 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 13.20 | |
| OTHER CHARGES kWh | 1500 | 0.0110 | \$ | 16.50 | OTHER CHARGES kWh | 1500 | 0.0117 | \$ | 17.49 | |
| COST OF POWER kWh | 1500 | 0.0239 | \$ | 35.85 | COST OF POWER kWh | 1500 | 0.0239 | \$ | 35.85 | |
| | 1500 | 0.0430 | \$ | 64.50 | | 1500 | 0.0430 | \$ | 64.50 | |

CURRENT 2003 BILL \$ 130.05 Adjusted 2004 BILL \$ 131.04 \$ 0.99 0.8%

| MONTHLY CONSUMPTION OF 2000 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 13.20 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 13.20 | |
| OTHER CHARGES kWh | 2000 | 0.0110 | \$ | 22.00 | OTHER CHARGES kWh | 2000 | 0.0117 | \$ | 23.32 | |
| COST OF POWER kWh | 2000 | 0.0239 | \$ | 47.80 | COST OF POWER kWh | 2000 | 0.0239 | \$ | 47.80 | |
| | 2000 | 0.0430 | \$ | 86.00 | | 2000 | 0.0430 | \$ | 86.00 | |

CURRENT 2003 BILL \$ 169.00 Adjusted 2004 BILL \$ 170.32 \$ 1.32 0.8%

GENERAL SERVICE < 50 KW

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

ENTER DESIRED CONSUMPTION LEVEL CURRENT 2003 BILL 2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)

| 1000 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | | \$17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | |
| OTHER CHARGES kWh | 1000 | 0.0035 | \$ | 3.50 | OTHER CHARGES kWh | 1000 | 0.0048 | \$ | 4.82 | |
| COST OF POWER kWh | 1000 | 0.0229 | \$ | 22.90 | COST OF POWER kWh | 1000 | 0.0229 | \$ | 22.90 | |
| | 1000 | 0.0430 | \$ | 43.00 | | 1000 | 0.0430 | \$ | 43.00 | |

CURRENT 2003 BILL \$ 86.57 Adjusted 2004 BILL \$ 87.89 \$ 1.32 1.5%

| MONTHLY CONSUMPTION 2000 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | |
| OTHER CHARGES kWh | 2000 | 0.0035 | \$ | 7.00 | OTHER CHARGES kWh | 2000 | 0.0048 | \$ | 9.63 | |
| COST OF POWER kWh | 2000 | 0.0229 | \$ | 45.80 | COST OF POWER kWh | 2000 | 0.0229 | \$ | 45.80 | |
| | 2000 | 0.0430 | \$ | 86.00 | | 2000 | 0.0430 | \$ | 86.00 | |

CURRENT 2003 BILL \$ 155.97 Adjusted 2004 BILL \$ 158.60 \$ 2.63 1.7%

| MONTHLY CONSUMPTION 5000 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|------|----------------|----------------|--------------|---|------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | |
| OTHER CHARGES kWh | 5000 | 0.0035 | \$ | 17.50 | OTHER CHARGES kWh | 5000 | 0.0048 | \$ | 24.08 | |
| COST OF POWER kWh | 5000 | 0.0229 | \$ | 114.50 | COST OF POWER kWh | 5000 | 0.0229 | \$ | 114.50 | |
| | 5000 | 0.0430 | \$ | 215.00 | | 5000 | 0.0430 | \$ | 215.00 | |

CURRENT 2003 BILL \$ 364.17 Adjusted 2004 BILL \$ 370.75 \$ 6.58 1.8%

| MONTHLY CONSUMPTION 10,000 kWh | | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------|----------------|----------------|--------------|---|-------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION kWh | n/a | n/a | \$ | 17.17 | |
| OTHER CHARGES kWh | 10000 | 0.0035 | \$ | 35.00 | OTHER CHARGES kWh | 10000 | 0.0048 | \$ | 48.17 | |
| COST OF POWER kWh | 10000 | 0.0229 | \$ | 229.00 | COST OF POWER kWh | 10000 | 0.0229 | \$ | 229.00 | |
| | 10000 | 0.0430 | \$ | 430.00 | | 10000 | 0.0430 | \$ | 430.00 | |

CURRENT 2003 BILL \$ 711.17 Adjusted 2004 BILL \$ 724.34 \$ 13.17 1.9%

| MONTHLY CONSUMPTION 15,000 KWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|----------------|----------------|--------------|----------|------------------------|----------------|--------------|-------------------|---------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 17.17 |
| DISTRIBUTION kWh | 15000 | 0.0035 | \$ | 52.50 | DISTRIBUTION kWh | 15000 | 0.0048 | \$ | 72.25 |
| OTHER CHARGES kWh | 15000 | 0.0229 | \$ | 343.50 | OTHER CHARGES kWh | 15000 | 0.0229 | \$ | 343.50 |
| COST OF POWER kWh | 15000 | 0.0430 | \$ | 645.00 | COST OF POWER kWh | 15000 | 0.0430 | \$ | 645.00 |
| CURRENT 2003 BILL | | | \$ | 1,058.17 | Adjusted 2004 BILL | | \$ | 1,077.92 | \$ 19.75 1.9% |

GENERAL SERVICE > 50 KW NON TIME OF USE

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

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

| CURRENT 2003 BILL | | | | 2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price) | | | | | | |
|---------------------------------|-------------------|------------------|--------------|--|------------------------|------------------|--------------|-------------------|-------------|--|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | |
| | kW/kWh (enter) | RATE \$kW/kWh | CHARGE \$ | | kW/kWh | RATE \$kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % | |
| MONTHLY SERVICE CHARGE | n/a | n/a | | | MONTHLY SERVICE CHARGE | n/a | n/a | \$ 42.06 | | |
| DISTRIBUTION kW | 60 | 1.2573 | \$ 75.44 | | DISTRIBUTION kW | 60 | 1.9628 | \$ 117.77 | | |
| OTHER CHARGES kW | 60 | 3.9100 | \$ 234.60 | | OTHER CHARGES kW | 60 | 3.9100 | \$ 234.60 | | |
| OTHER CHARGES kWh | 15,000 | 0.0132 | \$ 198.00 | | OTHER CHARGES kWh | 15,000 | 0.0132 | \$ 198.00 | | |
| COST OF POWER kWh | 15,000 | 0.0550 | \$ 825.00 | | COST OF POWER kWh | 15,000 | 0.0550 | \$ 825.00 | | |
| CURRENT 2003 BILL | | | \$ 1,375.10 | Adjusted 2004 BILL | | | \$ 1,417.43 | \$ 42.33 | 3.1% | |

| MONTHLY CONSUMPTION 100kW, 40,000kWh | kW/kWh (enter) | RATE \$kW/kWh | CHARGE \$ | | kW/kWh | RATE \$kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % | | |
|---|-------------------|------------------|--------------|----------|-------------------------------------|------------------|--------------|-------------------|-------------|----------|------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 42.06 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 42.06 | | |
| OTHER CHARGES kW | 100 | 1.2573 | \$ | 125.73 | OTHER CHARGES kW | 100 | 1.9628 | \$ | 196.28 | | |
| OTHER CHARGES kWh | 100 | 3.9100 | \$ | 391.00 | OTHER CHARGES kWh | 100 | 3.9100 | \$ | 391.00 | | |
| COST OF POWER kWh | 40,000 | 0.0132 | \$ | 528.00 | COST OF POWER kWh | 40,000 | 0.0132 | \$ | 528.00 | | |
| | 40,000 | 0.0550 | \$ | 2,200.00 | | 40,000 | 0.0550 | \$ | 2,200.00 | | |
| CURRENT 2003 BILL | | | \$ | 3,286.79 | Adjusted 2004 BILL | | | \$ | 3,357.34 | \$ 70.55 | 2.1% |

| MONTHLY CONSUMPTION 500kW, 100,000kWh | kW/kWh (enter) | RATE \$kW/kWh | CHARGE \$ | | kW/kWh | RATE \$kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|------------------|--------------|----------|------------------------|------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 |
| DISTRIBUTION kW | 500 | 1.2573 | \$ | 628.65 | DISTRIBUTION kW | 500 | 1.9628 | \$ | 981.40 |
| OTHER CHARGES kW | 500 | 3.9100 | \$ | 1,955.00 | OTHER CHARGES kW | 500 | 3.9100 | \$ | 1,955.00 |
| OTHER CHARGES kWh | 100,000 | 0.0132 | \$ | 1,320.00 | OTHER CHARGES kWh | 100,000 | 0.0132 | \$ | 1,320.00 |
| COST OF POWER kWh | 100,000 | 0.0550 | \$ | 5,500.00 | COST OF POWER kWh | 100,000 | 0.0550 | \$ | 5,500.00 |
| CURRENT 2003 BILL | | | \$ | 9,445.71 | Adjusted 2004 BILL | | | \$ | 9,798.46 |
| | | | | | | | | \$ | 352.75 |
| | | | | | | | | | 3.7% |

| MONTHLY CONSUMPTION 1000kW, 400,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|--------------|-----------|------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 |
| DISTRIBUTION kW | 1000 | 1.2573 | \$ | 1,257.30 | DISTRIBUTION kW | 1000 | 1.9628 | \$ | 1,962.81 |
| OTHER CHARGES kW | 1000 | 3.9100 | \$ | 3,910.00 | OTHER CHARGES kW | 1000 | 3.9100 | \$ | 3,910.00 |
| OTHER CHARGES kWh | 400,000 | 0.0132 | \$ | 5,280.00 | OTHER CHARGES kWh | 400,000 | 0.0132 | \$ | 5,280.00 |
| COST OF POWER kWh | 400,000 | 0.0550 | \$ | 22,000.00 | COST OF POWER kWh | 400,000 | 0.0550 | \$ | 22,000.00 |
| CURRENT 2003 BILL | | | \$ | 32,489.36 | Adjusted 2004 BILL | | | \$ | 33,194.87 |
| | | | | | | | | \$ | 705.51 |
| | | | | | | | | | 2.2% |

| MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|-------------------|--------------|----------|------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 | MONTHLY SERVICE CHARGE | n/a | n/a | \$ | 42.06 |
| DISTRIBUTION kW | 3000 | 1.2573 | \$ | 3,771.90 | DISTRIBUTION kW | 3000 | 1.9628 | \$ | 5,888.42 |

| | | | | | | | | | |
|-------------------|-----------|--------|----|-----------|--------------------|-----------|--------|----|-----------|
| OTHER CHARGES kW | 3000 | 3.9100 | \$ | 11,730.00 | OTHER CHARGES kW | 3000 | 3.9100 | \$ | 11,730.00 |
| OTHER CHARGES kWh | 1,000,000 | 0.0132 | \$ | 13,200.00 | OTHER CHARGES kWh | 1,000,000 | 0.0132 | \$ | 13,200.00 |
| COST OF POWER kWh | 1,000,000 | 0.0550 | \$ | 55,000.00 | COST OF POWER kWh | 1,000,000 | 0.0550 | \$ | 55,000.00 |
| CURRENT 2003 BILL | | | \$ | 83,743.96 | Adjusted 2004 BILL | | | \$ | 85,860.48 |
| | | | | | | | | \$ | 2,116.52 |
| | | | | | | | | | 2.5% |

| MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|-------------------|--------------|------------|--|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | \$ | 42.06 | MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | \$ | 42.06 |
| OTHER CHARGES kW | 4000 | 1.2573 | \$ | 5,029.20 | OTHER CHARGES kW | 4000 | 1.96281 | \$ | 7,851.22 |
| OTHER CHARGES kWh | 1,800,000 | 0.0132 | \$ | 23,760.00 | OTHER CHARGES kWh | 1,800,000 | 0.0132 | \$ | 23,760.00 |
| COST OF POWER kWh | 1,800,000 | 0.0550 | \$ | 99,000.00 | COST OF POWER kWh | 1,800,000 | 0.0550 | \$ | 99,000.00 |
| CURRENT 2003 BILL | | | \$ | 143,471.26 | Adjusted 2004 BILL | | | \$ | 146,293.28 |
| | | | | | | | | \$ | 2,822.02 |
| | | | | | | | | | 2.0% |

GENERAL SERVICE >50 KW TIME OF USE

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.2138/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

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

ENTER DESIRED CONSUMPTION LEVEL

| MONTHLY CONSUMPTION 100kW, 40,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|--------------|----------|--|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | \$ | 0.00 | MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | N/A | |
| OTHER CHARGES kW | 60 | 0.0000 | \$ | - | OTHER CHARGES kW | 60 | N/A | #VALUE! | |
| OTHER CHARGES kWh | 15,000 | 0.0132 | \$ | 198.00 | OTHER CHARGES kWh | 15,000 | 0.0132 | \$ | 198.00 |
| COST OF POWER kWh | 15,000 | 0.0550 | \$ | 825.00 | COST OF POWER kWh | 15,000 | 0.0550 | \$ | 825.00 |
| CURRENT 2003 BILL | | | \$ | 1,275.83 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! |
| | | | | | | | | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 100kW, 40,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|--------------|----------|--|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | \$ | - | MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | N/A | |
| OTHER CHARGES kW | 100 | 0.0000 | \$ | - | OTHER CHARGES kW | 100 | N/A | #VALUE! | |
| OTHER CHARGES kWh | 40,000 | 0.0132 | \$ | 528.00 | OTHER CHARGES kWh | 40,000 | 0.0132 | \$ | 528.00 |
| COST OF POWER kWh | 40,000 | 0.0550 | \$ | 2,200.00 | COST OF POWER kWh | 40,000 | 0.0550 | \$ | 2,200.00 |
| CURRENT 2003 BILL | | | \$ | 3,149.38 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! |
| | | | | | | | | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 500kW, 100,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|-------------------|--------------|----------|--|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | \$ | - | MONTHLY SERVICE CHARGE DISTRIBUTION kW | n/a | n/a | N/A | |
| OTHER CHARGES kW | 500 | 0.0000 | \$ | - | OTHER CHARGES kW | 500 | N/A | #VALUE! | |
| OTHER CHARGES kWh | 100,000 | 0.0132 | \$ | 1,320.00 | OTHER CHARGES kWh | 100,000 | 0.0132 | \$ | 1,320.00 |
| COST OF POWER kWh | 100,000 | 0.0550 | \$ | 5,500.00 | COST OF POWER kWh | 100,000 | 0.0550 | \$ | 5,500.00 |
| CURRENT 2003 BILL | | | \$ | 8,926.90 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! |
| | | | | | | | | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 1000kW, 400,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|--------------|--------------------|-------------------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ - | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | N/A | |
| kw | 1000 | 0.0000 | \$ - | | kw | 1000 | N/A | #VALUE! | |
| OTHER CHARGES kW | 1000 | 4.2138 | \$ 4,213.80 | | OTHER CHARGES kW | 1000 | 4.2138 | \$ 4,213.80 | |
| OTHER CHARGES kWh | 400,000 | 0.0132 | \$ 5,280.00 | | OTHER CHARGES kWh | 400,000 | 0.0132 | \$ 5,280.00 | |
| COST OF POWER kWh | 400,000 | 0.0550 | \$ 22,000.00 | | COST OF POWER kWh | 400,000 | 0.0550 | \$ 22,000.00 | |
| CURRENT 2003 BILL | | | \$ 31,493.80 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|-------------------|--------------|--------------------|-------------------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ - | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | N/A | |
| kw | 3000 | 0.0000 | \$ - | | kw | 3000 | N/A | #VALUE! | |
| OTHER CHARGES kW | 3000 | 4.2138 | \$ 12,641.40 | | OTHER CHARGES kW | 3000 | 4.2138 | \$ 12,641.40 | |
| OTHER CHARGES kWh | 1,000,000 | 0.0132 | \$ 13,200.00 | | OTHER CHARGES kWh | 1,000,000 | 0.0132 | \$ 13,200.00 | |
| COST OF POWER kWh | 1,000,000 | 0.0550 | \$ 55,000.00 | | COST OF POWER kWh | 1,000,000 | 0.0550 | \$ 55,000.00 | |
| CURRENT 2003 BILL | | | \$ 80,841.40 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|--|-------------------|-------------------|---------------|--------------------|-------------------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ - | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | N/A | |
| kw | 4000 | 0.0000 | \$ - | | kw | 4000 | N/A | #VALUE! | |
| OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | | OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | |
| OTHER CHARGES kWh | 1,800,000 | 0.0132 | \$ 23,760.00 | | OTHER CHARGES kWh | 1,800,000 | 0.0132 | \$ 23,760.00 | |
| COST OF POWER kWh | 1,800,000 | 0.0550 | \$ 99,000.00 | | COST OF POWER kWh | 1,800,000 | 0.0550 | \$ 99,000.00 | |
| CURRENT 2003 BILL | | | \$ 139,615.20 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! | #VALUE! |

GENERAL SERVICE INTERMEDIATE CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.2138/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| CURRENT 2003 BILL | | | | 2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price) | | | | | | | |
|-------------------------------------|-------------------|-------------------|------------------|--|-------------------------------------|--|-----------|------------------|--------------|-------------------|-------------|
| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | | |
| MONTHLY CONSUMPTION | | kW/kWh (enter) | RATE \$kW/kWh | CHARGE \$ | | | kW/kWh | RATE \$kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE DISTRIBUTION | | n/a | n/a | | MONTHLY SERVICE CHARGE DISTRIBUTION | | n/a | n/a | N/A | | |
| 3000kW, 800,000 kWh | kW | 3000 | 0.0000 | \$ - | kW | | 3000 | N/A | #VALUE! | | |
| | OTHER CHARGES kW | 3000 | 4.2138 | \$ 12,641.40 | OTHER CHARGES kW | | 3000 | 4.2138 | \$ 12,641.40 | | |
| | OTHER CHARGES kWh | 800,000 | 0.0132 | \$ 10,560.00 | OTHER CHARGES kWh | | 800,000 | 0.0132 | \$ 10,560.00 | | |
| | COST OF POWER kWh | 800,000 | 0.0550 | \$ 44,000.00 | COST OF POWER kWh | | 800,000 | 0.0550 | \$ 44,000.00 | | |
| CURRENT 2003 BILL | | | | \$ 67,201.40 | Adjusted 2004 BILL | | | | #VALUE! | #VALUE! | #VALUE! |
| | | | | | | | | | | | |
| MONTHLY CONSUMPTION | | kW/kWh (enter) | RATE \$kW/kWh | CHARGE \$ | | | kW/kWh | RATE \$kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| 3000kW, 1,000,000kWh | | | | | | | | | | | |
| MONTHLY SERVICE CHARGE DISTRIBUTION | | n/a | n/a | \$ - | MONTHLY SERVICE CHARGE DISTRIBUTION | | n/a | n/a | N/A | | |
| | kW | 3000 | 0.0000 | \$ - | kW | | 3000 | N/A | #VALUE! | | |
| | OTHER CHARGES kW | 3000 | 4.2138 | \$ 12,641.40 | OTHER CHARGES kW | | 3000 | 4.2138 | \$ 12,641.40 | | |
| | OTHER CHARGES kWh | 1,000,000 | 0.0132 | \$ 13,200.00 | OTHER CHARGES kWh | | 1,000,000 | 0.0132 | \$ 13,200.00 | | |
| | COST OF POWER kWh | 1,000,000 | 0.0550 | \$ 55,000.00 | COST OF POWER kWh | | 1,000,000 | 0.0550 | \$ 55,000.00 | | |
| CURRENT 2003 BILL | | | | \$ 80,841.40 | Adjusted 2004 BILL | | | | #VALUE! | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 4000kW, 1,200,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|--------------|--------------------|-------------------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ - | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | N/A | |
| kw | 4000 | 0.0000 | \$ - | | kw | 4000 | N/A | #VALUE! | |
| OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | | OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | |
| OTHER CHARGES kWh | 1,200,000 | 0.0132 | \$ 15,840.00 | | OTHER CHARGES kWh | 1,200,000 | 0.0132 | \$ 15,840.00 | |
| COST OF POWER kWh | 1,200,000 | 0.0550 | \$ 66,000.00 | | COST OF POWER kWh | 1,200,000 | 0.0550 | \$ 66,000.00 | |
| CURRENT 2003 BILL | | | \$ 98,695.20 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! | #VALUE! |

| MONTHLY CONSUMPTION 4000kW, 1,800,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|---------------|--------------------|-------------------------------------|-------------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ - | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | N/A | |
| kw | 4000 | 0.0000 | \$ - | | kw | 4000 | N/A | #VALUE! | |
| OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | | OTHER CHARGES kW | 4000 | 4.2138 | \$ 16,855.20 | |
| OTHER CHARGES kWh | ##### | 0.0132 | \$ 23,760.00 | | OTHER CHARGES kWh | 1,800,000 | 0.0132 | \$ 23,760.00 | |
| COST OF POWER kWh | ##### | 0.0550 | \$ 99,000.00 | | COST OF POWER kWh | 1,800,000 | 0.0550 | \$ 99,000.00 | |
| CURRENT 2003 BILL | | | \$ 139,615.20 | Adjusted 2004 BILL | | | #VALUE! | #VALUE! | #VALUE! |

LARGE USE CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.7369/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

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

ENTER DESIRED CONSUMPTION LEVEL

| MONTHLY CONSUMPTION | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|-------------------|-------------------|---------------|--------------------|-------------------------------------|-------------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 1,876.09 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 1,876.09 | |
| kw | 6000 | 0.2683 | \$ 1,609.80 | | kw | 6000 | 0.3234 | \$ 1,940.31 | |
| OTHER CHARGES kW | 6000 | 4.7369 | \$ 28,421.40 | | OTHER CHARGES kW | 6000 | 4.7369 | \$ 28,421.40 | |
| OTHER CHARGES kWh | 2,800,000 | 0.0132 | \$ 36,960.00 | | OTHER CHARGES kWh | 2,800,000 | 0.0132 | \$ 36,960.00 | |
| COST OF POWER kWh | 2,800,000 | 0.0500 | \$ 140,000.00 | | COST OF POWER kWh | 2,800,000 | 0.0500 | \$ 140,000.00 | |
| CURRENT 2003 BILL | | | \$ 208,867.29 | Adjusted 2004 BILL | | | \$ 209,197.80 | \$ 330.51 | 0.2% |

| MONTHLY CONSUMPTION 15000kW, 10,000,000kWh | kW/kWh (enter) | RATE \$/kW/kWh | CHARGE \$ | | kW/kWh | RATE \$/kW/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---|-------------------|-------------------|---------------|--------------------|-------------------------------------|-------------------|---------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 1,876.09 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 1,876.09 | |
| kw | 15000 | 0.2683 | \$ 4,024.50 | | kw | 15000 | 0.3234 | \$ 4,850.77 | |
| OTHER CHARGES kW | 15000 | 4.7369 | \$ 71,053.50 | | OTHER CHARGES kW | 15000 | 4.7369 | \$ 71,053.50 | |
| OTHER CHARGES kWh | ##### | 0.0132 | \$ 132,000.00 | | OTHER CHARGES kWh | 10,000,000 | 0.0132 | \$ 132,000.00 | |
| COST OF POWER kWh | ##### | 0.0500 | \$ 500,000.00 | | COST OF POWER kWh | ##### | 0.0500 | \$ 500,000.00 | |
| CURRENT 2003 BILL | | | \$ 708,954.09 | Adjusted 2004 BILL | | | \$ 709,780.36 | \$ 826.27 | 0.1% |

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

(commodity price increase on April 1, 2004)

| | | | |
|-----------------|----------------------------------|----------------|--------------|
| NAME OF UTILITY | Middlesex Power Distributin Corp | LICENCE NUMBER | ED-2003-0059 |
| NAME OF CONTACT | Jim Hogan | PHONE NUMBER | 519-352-6300 |
| E- Mail Address | jimhogan@ckenergy.com | FILE NUMBER | RP-2004-0066 |
| VERSION NUMBER | 0 | | EB-2004-0052 |
| Date | 15-Jan-04 | | |

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

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

RESIDENTIAL CLASS

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

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

| ENTER DESIRED CONSUMPTION LEVEL | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|---------------------------------|----------------|----------------|--------------|--------------------|------------------------|----------------|--------------|-------------------|-------------|
| 100 kWh | | | | | | | | | |
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE | n/a | \$ 13.20 | | |
| DISTRIBUTION kWh | 100 | 0.0110 | \$ 1.10 | | DISTRIBUTION kWh | 100 | 0.0117 | \$ 1.17 | |
| OTHER CHARGES kWh | 100 | 0.0239 | \$ 2.39 | | OTHER CHARGES kWh | 100 | 0.0239 | \$ 2.39 | |
| COST OF POWER kWh | 100 | 0.0430 | \$ 4.30 | | COST OF POWER kWh | 100 | 0.0470 | \$ 4.70 | |
| CURRENT 2003 BILL | | | \$ 20.99 | Adjusted 2004 BILL | | | \$ 21.46 | \$ 0.47 | 2.2% |

| MONTHLY CONSUMPTION OF 250 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|----------------|----------------|--------------|--------------------|------------------------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE | n/a | \$ 13.20 | | |
| DISTRIBUTION kWh | 250 | 0.0110 | \$ 2.75 | | DISTRIBUTION kWh | 250 | 0.0117 | \$ 2.92 | |
| OTHER CHARGES kWh | 250 | 0.0239 | \$ 5.98 | | OTHER CHARGES kWh | 250 | 0.0239 | \$ 5.98 | |
| COST OF POWER kWh | 250 | 0.0430 | \$ 10.75 | | COST OF POWER kWh | 250 | 0.0470 | \$ 11.75 | |
| CURRENT 2003 BILL | | | \$ 32.68 | Adjusted 2004 BILL | | | \$ 33.84 | \$ 1.17 | 3.6% |

| MONTHLY CONSUMPTION OF 500 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|----------------|----------------|--------------|--------------------|------------------------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE | n/a | \$ 13.20 | | |
| DISTRIBUTION kWh | 500 | 0.0110 | \$ 5.50 | | DISTRIBUTION kWh | 500 | 0.0117 | \$ 5.83 | |
| OTHER CHARGES kWh | 500 | 0.0239 | \$ 11.95 | | OTHER CHARGES kWh | 500 | 0.0239 | \$ 11.95 | |
| COST OF POWER kWh | 500 | 0.0430 | \$ 21.50 | | COST OF POWER kWh | 500 | 0.0470 | \$ 23.50 | |
| CURRENT 2003 BILL | | | \$ 52.15 | Adjusted 2004 BILL | | | \$ 54.48 | \$ 2.33 | 4.5% |

| MONTHLY CONSUMPTION OF 750 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-----------------------------------|----------------|----------------|--------------|--------------------|------------------------|----------------|--------------|-------------------|-------------|
| MONTHLY SERVICE CHARGE | n/a | n/a | \$ 13.20 | | MONTHLY SERVICE CHARGE | n/a | \$ 13.20 | | |
| DISTRIBUTION kWh | 750 | 0.0110 | \$ 8.25 | | DISTRIBUTION kWh | 750 | 0.0117 | \$ 8.75 | |
| OTHER CHARGES kWh | 750 | 0.0239 | \$ 17.93 | | OTHER CHARGES kWh | 750 | 0.0239 | \$ 17.93 | |
| COST OF POWER kWh | 750 | 0.0430 | \$ 32.25 | | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| CURRENT 2003 BILL | | | \$ 71.63 | Adjusted 2004 BILL | | | \$ 75.12 | \$ 3.50 | 4.9% |

| MONTHLY CONSUMPTION OF 1000 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|-------|-------------------------------------|----------------|--------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 13.20 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| kWh | 1000 | 0.0110 | \$ | 11.00 | kWh | 1000 | 0.0117 | \$ 11.66 | |
| OTHER CHARGES kWh | 1000 | 0.0239 | \$ | 23.90 | OTHER CHARGES kWh | 1000 | 0.02390 | \$ 23.90 | |
| COST OF POWER kWh | 1000 | 0.0430 | \$ | 43.00 | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 250 | 0.0550 | \$ 13.75 | |
| CURRENT 2003 BILL | | | \$ | 91.10 | Adjusted 2004 BILL | | \$ | 97.76 | \$ 6.66 7.3% |

| MONTHLY CONSUMPTION OF 1500 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--------|-------------------------------------|----------------|--------------|-------------------|----------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 13.20 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| kWh | 1500 | 0.0110 | \$ | 16.50 | kWh | 1500 | 0.0117 | \$ 17.49 | |
| OTHER CHARGES kWh | 1500 | 0.0239 | \$ | 35.85 | OTHER CHARGES kWh | 1500 | 0.0239 | \$ 35.85 | |
| COST OF POWER kWh | 1500 | 0.0430 | \$ | 64.50 | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 750 | 0.0550 | \$ 41.25 | |
| CURRENT 2003 BILL | | | \$ | 130.05 | Adjusted 2004 BILL | | \$ | 143.04 | \$ 12.99 10.0% |

| MONTHLY CONSUMPTION OF 2000 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------|--------|-------------------------------------|----------------|--------------|-------------------|----------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 13.20 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 13.20 | |
| kWh | 2000 | 0.0110 | \$ | 22.00 | kWh | 2000 | 0.0117 | \$ 23.32 | |
| OTHER CHARGES kWh | 2000 | 0.0239 | \$ | 47.80 | OTHER CHARGES kWh | 2000 | 0.0239 | \$ 47.80 | |
| COST OF POWER kWh | 2000 | 0.0430 | \$ | 86.00 | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 1250 | 0.0550 | \$ 68.75 | |
| CURRENT 2003 BILL | | | \$ | 169.00 | Adjusted 2004 BILL | | \$ | 188.32 | \$ 19.32 11.4% |

GENERAL SERVICE < 50 KW

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

| MONTHLY CONSUMPTION OF 1000 kWh | CURRENT 2003 BILL | | | | 2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price) | | | | |
|-------------------------------------|-------------------|----------------|--------------|--------|--|----------------|--------------|-------------------|----------------|
| | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | |
| kWh | 1000 | 0.0035 | \$ | 3.50 | kWh | 1000 | 0.00482 | \$ 4.82 | |
| OTHER CHARGES kWh | 1000 | 0.0229 | \$ | 22.90 | OTHER CHARGES kWh | 1000 | 0.0229 | \$ 22.90 | |
| COST OF POWER kWh | 1000 | 0.0430 | \$ | 43.00 | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 250 | 0.0550 | \$ 13.75 | |
| CURRENT 2003 BILL | | | \$ | 86.57 | Adjusted 2004 BILL | | \$ | 93.89 | \$ 7.32 8.5% |
| MONTHLY CONSUMPTION OF 2000 kWh | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ | 17.17 | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | |
| kWh | 2000 | 0.0035 | \$ | 7.00 | kWh | 2000 | 0.0048 | \$ 9.63 | |
| OTHER CHARGES kWh | 2000 | 0.0229 | \$ | 45.80 | OTHER CHARGES kWh | 2000 | 0.0229 | \$ 45.80 | |
| COST OF POWER kWh | 2000 | 0.0430 | \$ | 86.00 | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 1250 | 0.0550 | \$ 68.75 | |
| CURRENT 2003 BILL | | | \$ | 155.97 | Adjusted 2004 BILL | | \$ | 176.60 | \$ 20.63 13.2% |

**MONTHLY CONSUMPTION OF
5000 kWh**

| | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|------------------|--------------------|-------------------------------------|----------------|------------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | |
| kWh | 5000 | 0.0035 | \$ 17.50 | | kWh | 5000 | 0.0048 | \$ 24.08 | |
| OTHER CHARGES kWh | 5000 | 0.0229 | \$ 114.50 | | OTHER CHARGES kWh | 5000 | 0.0229 | \$ 114.50 | |
| COST OF POWER kWh | 5000 | 0.0430 | \$ 215.00 | | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 4250 | 0.0550 | \$ 233.75 | |
| CURRENT 2003 BILL | | | \$ 364.17 | Adjusted 2004 BILL | | | \$ 424.75 | \$ 60.58 | 16.6% |

**MONTHLY CONSUMPTION OF
10000 kWh**

| | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|------------------|--------------------|-------------------------------------|----------------|------------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | |
| kWh | 10000 | 0.0035 | \$ 35.00 | | kWh | 10000 | 0.0048 | \$ 48.17 | |
| OTHER CHARGES kWh | 10000 | 0.0229 | \$ 229.00 | | OTHER CHARGES kWh | 10000 | 0.0229 | \$ 229.00 | |
| COST OF POWER kWh | 10000 | 0.0430 | \$ 430.00 | | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 9250 | 0.0550 | \$ 508.75 | |
| CURRENT 2003 BILL | | | \$ 711.17 | Adjusted 2004 BILL | | | \$ 838.34 | \$ 127.17 | 17.9% |

**MONTHLY CONSUMPTION OF
15000 kWh**

| | kWh (enter) | RATE \$/kWh | CHARGE \$ | | kWh | RATE \$/kWh | CHARGE \$ | IMPACT DOLLARS | IMPACT % |
|-------------------------------------|----------------|----------------|--------------------|--------------------|-------------------------------------|----------------|--------------------|-------------------|--------------|
| MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | | MONTHLY SERVICE CHARGE DISTRIBUTION | n/a | n/a | \$ 17.17 | |
| kWh | 15000 | 0.0035 | \$ 52.50 | | kWh | 15000 | 0.0048 | \$ 72.25 | |
| OTHER CHARGES kWh | 15000 | 0.0229 | \$ 343.50 | | OTHER CHARGES kWh | 15000 | 0.0229 | \$ 343.50 | |
| COST OF POWER kWh | 15000 | 0.0430 | \$ 645.00 | | COST OF POWER kWh | 750 | 0.0470 | \$ 35.25 | |
| | | | | | COST OF POWER kWh | 14250 | 0.0550 | \$ 783.75 | |
| CURRENT 2003 BILL | | | \$ 1,058.17 | Adjusted 2004 BILL | | | \$ 1,251.92 | \$ 193.75 | 18.3% |

Attachment 30

**2005 Original RAM Model
EB-2005-0017**

2005 Rate Adjustment Model

Name of Utility: Middlesex Power Distribution Corporation

License Number: ED-2003-0059

File Number: RP-2005-0013

EB-2005-0048

Name of Contact: Jim Hogan

E- Mail Address: jimhogan@ckenergy.com

Phone Number: 519-352-6300 Extension: 277

Date: March 8, 2005

Version Number: **2005.V1.1**

SHEET 1 - 2002 Base Rate Schedule

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM.

Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

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

RESIDENTIAL

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0096 |
| Monthly Service Charge (Per Customer) | \$11.42 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0000 |
| Monthly Service Charge (Per Customer) | \$0.00 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0031 |
| Monthly Service Charge (Per Customer) | \$14.86 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$1.0879 |
| Monthly Service Charge (Per Customer) | \$36.40 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$0.0000 |
| Monthly Service Charge (Per Customer) | \$0.00 |

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

| | |
|----------------------|----------|
| Distribution KW Rate | \$0.0000 |
|----------------------|----------|

| | |
|---------------------------------------|--------|
| Monthly Service Charge (Per Customer) | \$0.00 |
|---------------------------------------|--------|

LARGE USE

| | |
|----------------------|----------|
| Distribution KW Rate | \$0.2322 |
|----------------------|----------|

| | |
|---------------------------------------|------------|
| Monthly Service Charge (Per Customer) | \$1,623.52 |
|---------------------------------------|------------|

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|----------------------|----------|
| Distribution KW Rate | \$3.7007 |
|----------------------|----------|

| | |
|---|--------|
| Monthly Service Charge (Per Connection) | \$0.77 |
|---|--------|

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|----------------------|----------|
| Distribution KW Rate | \$0.0000 |
|----------------------|----------|

| | |
|---|--------|
| Monthly Service Charge (Per Connection) | \$0.00 |
|---|--------|

STREET LIGHTING (NON TIME OF USE)

| | |
|----------------------|----------|
| Distribution KW Rate | \$2.0175 |
|----------------------|----------|

| | |
|---|--------|
| Monthly Service Charge (Per Connection) | \$0.61 |
|---|--------|

OR

STREET LIGHTING (TIME OF USE)

| | |
|----------------------|----------|
| Distribution KW Rate | \$0.0000 |
|----------------------|----------|

| | |
|---|--------|
| Monthly Service Charge (Per Connection) | \$0.00 |
|---|--------|

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

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

| | |
|---|---------------|
| Enter the final MARR installment calculated in the 2001 RUD Model | \$ 287,591.00 |
|---|---------------|

| | |
|--|-----|
| Have you applied for approval of your C&DM plan? | yes |
|--|-----|

| | |
|---|--------------|
| Enter the amount applied for your C&DM plan | \$280,000.00 |
|---|--------------|

| | |
|---|----|
| Has the C&DM application been approved? | no |
|---|----|

| | |
|--|---------------|
| Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount) | \$ 280,000.00 |
|--|---------------|

| | |
|---|---------------|
| Grossed-up MARR based on 14 months recovery over 13 months. | \$ 301,538.46 |
|---|---------------|

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

| 1999 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 1999 Distribution Shares | Allocation of Board-Approved MARR Value |
|---|----------------|-------------------|-----------------------------------|-----------------------|--------------------------|---|
| Residential Class | - | 51,727,477 | 5,610 | \$821,125 | 72.60% | \$218,910 |
| General Service < 50 KW Class | - | 26,613,768 | 703 | \$133,827 | 11.83% | \$35,678 |
| General Service > 50 KW Non-Time of Use | 170,613 - | | 75 | \$142,054 | 12.56% | \$37,871 |
| General Service > 50 KW Time of Use | 0 - | | 0 | \$0 | 0.00% | \$0 |
| Intermediate Use | 0 - | | 0 | \$0 | 0.00% | \$0 |
| Large Class User | 53,793 - | | 1 | \$20,799 | 1.84% | \$5,545 |
| Sentinel Lights | 71 - | | 44 | \$437 | 0.04% | \$117 |
| Street Lighting | 3,816 - | | 1,642 | \$12,820 | 1.13% | \$3,418 |
| TOTALS | 228,293 | 78,341,245 | 8,075 | \$1,131,062 | 100.00% | \$301,538 |
| Grossed-up MARR Value =====> | | | | | | \$301,538 |

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

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board-Approved MARR Recovery |
|---|--------------------------|-------------------------|------------------------------------|
| (A) Allocated MARR | | | \$218,910 |
| (B) Fixed-Variable Split (%) | 39.1% | 60.9% | 100% |
| (C) Re-Allocated MARR (\$) | \$85,594 | \$133,316 | \$218,910 |
| (D) Number of kWh | 51,727,477 | | |
| (E) Number of Customers | | 5,610 | |
| (F) Incremental Distribution kWh Rate (\$/kWh) | \$0.0017 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$1.9803 | |

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

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$35,678 |
| (B) Fixed-Variable Split (%) | 39.1% | 60.9% | 100% |
| (C) Re-Allocated MARR (\$) | \$13,950 | \$21,728 | \$35,678 |
| (D) Number of kWh | 26,613,768 | | |
| (E) Number of Customers | | 703 | |
| (F) Incremental Distribution kWh Rate (\$/kWh) | \$0.0005 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$2.5756 | |

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

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$37,871 |
| (B) Fixed-Variable Split (%) | 85.0% | 15.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$32,191 | \$5,681 | \$37,871 |
| (D) Number of kW | 170,613 | | |
| (E) Number of Customers | | 75 | |
| (F) Incremental Distribution kWh Rate (\$/kW) | \$0.1887 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$6.3119 | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$0 |
| (B) Fixed-Variable Split (%) | | | 0% |
| (C) Re-Allocated MARR (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Number of Customers | | 0 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.0000 | |

Intermediate Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$0 |
| (B) Fixed-Variable Split (%) | | | 0% |
| (C) Re-Allocated MARR (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Number of Customers | | 0 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.0000 | |

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

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$5,545 |
| (B) Fixed-Variable Split (%) | 39.1% | 60.9% | 100% |
| (C) Re-Allocated MARR (\$) | \$2,168 | \$3,377 | \$5,545 |
| (D) Number of kW | 53,793 | | |
| (E) Number of Customers | | 1 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0403 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$281.4069 | |

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$117 |
| (B) Fixed-Variable Split (%) | 39.1% | 60.9% | 100% |
| (C) Re-Allocated MARR (\$) | \$46 | \$71 | \$117 |
| (D) Number of kW | 71 | | |
| (E) Number of Customers | | 44 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.6416 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.1344 | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$3,418 |
| (B) Fixed-Variable Split (%) | 39.1% | 60.9% | 100% |
| (C) Re-Allocated MARR (\$) | \$1,336 | \$2,081 | \$3,418 |
| (D) Number of kW | 3,816 | | |
| (E) Number of Customers | | 1,642 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.3502 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.1056 | |

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

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

Residential Class

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0113 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$13.40 |

Residential Class (Time-of-Use)

| | |
|---------------------------------------|--|
| DISTRIBUTION KWH RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

General Service < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0036 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$17.44 |

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

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.2766 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$42.71 |

General Service > 50 KW (Time of Use)

| | |
|---------------------------------------|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

Intermediate Use

| | |
|---------------------------------------|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

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

Large Use

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.2725 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,904.93 |

Sentinel Lights (Non-Time of Use)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$4.3423 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.90 |

OR

Sentinel Lights (Time of Use)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

Street Lighting (Non-Time of Use)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$2.3677 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.72 |

OR

Street Lighting (Time of Use)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

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

NOTE: The allocation of revenue has been updated to the same % as the 2002 PILs allocation. Large User actual revenue is negative, therefore adjustment is required. See Management Summary.

Enter the 2005 PILs Proxy Amount \$ 195,167.00

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

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2002 Rate Application PILs % | 2005 PILs Proxy Allocation |
|---|---------|--------------------|-----------------------------------|-------------------------------|------------------------------|----------------------------|
| Residential Class | | 59,641,045 | 5,879 | \$1,556,283 | 72.60% | \$141,691 |
| General Service < 50 KW Class | | 20,182,237 | 665 | \$198,362 | 11.83% | \$23,088 |
| General Service > 50 KW Non-Time of Use | 168,460 | 88,125,786 | 108 | \$248,351 | 12.56% | \$24,513 |
| General Service > 50 KW Time of Use | | | | | 0.00% | \$0 |
| Intermediate Use | | | | | 0.00% | \$0 |
| Large Class User | 69,854 | 42,627,110 | 1 | -\$3,592 | 1.84% | \$3,591 |
| Sentinel Lights | 147 | 46,530 | 46 | \$3,450 | 0.04% | \$78 |
| Street Lighting | 3,886 | 1,456,621 | 3 | \$25,549 | 1.13% | \$2,205 |
| TOTALS | | 212,079,329 | 6,702 | \$2,028,403 | 1.00 | \$195,167 |
| | | | | 2005 PILs Proxy Amount =====> | | \$195,167 |

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

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------|-------------------------|----------------------------|
| (A) Allocated PILs | | | \$141,691 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$141,691 | \$0 | \$141,691 |
| (D) Number of kWh | 59,641,045 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0024 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------|-------------------------|----------------------------|
| (A) Allocated PILs | | | \$23,088 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$23,088 | \$0 | \$23,088 |
| (D) Number of kWh | 20,182,237 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0011 | | |

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

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

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$24,513 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$24,513 | \$0 | \$24,513 |
| (D) Number of kW | 168,460 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.1455 | | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Intermediate Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$3,591 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$3,591 | \$0 | \$3,591 |
| (D) Number of kW | 69,854 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0514 | | |

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$78 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$78 | \$0 | \$78 |
| (D) Number of kW | 147 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.5311 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$2,205 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$2,205 | \$0 | \$2,205 |
| (D) Number of kW | 3,886 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.5675 | | |

SHEET 5 - Rate Schedule including 2005 PILs

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0136 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$13.40 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|--|
| DISTRIBUTION KWH RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0048 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$17.44 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.4221 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$42.71 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

INTERMEDIATE USE

| | |
|---------------------------------------|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Customer) | |

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.3239 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,904.93 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$4.8734 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.90 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$2.9352 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.72 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

SHEET 6 - December 31, 2003 Regulatory Assets

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

LDCs should enter their December 3, 2003 balances for each regulatory asset account. In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10. In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

| Description | Account Number | Amount Applied- for Balance as at Dec. 31, 2003 |
|---|----------------|---|
| RSVA - Wholesale Market Service Charge | 1580 | \$314,407 |
| RSVA - One-time Wholesale Market Service | 1582 | \$4,945 |
| RSVA - Retail Transmission Network Charge | 1584 | -\$8,797 |
| RSVA - Retail Transmission Connection Charge | 1586 | -\$10,677 |
| RSVA - Power | 1588 | |
| Sub-Total for RSVA Accounts | | \$299,878 |
| Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM | | \$234,200 |
| Adjusted 2005 Recovery Amount (RSVA Accounts) | | \$65,678 |
| Other Regulatory Assets | 1508 | |
| Retail Cost Variance Account - Retail | 1518 | \$6,339 |
| Retail Cost Variance Account - STR | 1548 | \$3,992 |
| Misc. Deferred Debits - incl. Rebate Cheques | 1525 | \$61,245 |
| Deferred Payments in Lieu of Taxes | 1562 | \$9,975 |
| <i>PILs Contra Account</i> | 1563 | |
| Qualifying Transition Costs | 1570 | \$176,124 |
| Pre-Market Opening Energy Variances Total | 1571 | \$359,496 |
| Extra-Ordinary Event Losses | 1572 | |
| Deferred Rate Impact Amounts | 1574 | |
| Other Deferred Credits | 2425 | |
| Sub-Total for Non-RSVA Regulatory Asset Accounts | | \$617,171 |
| Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM | | |
| Adjusted 2005 Recovery Amount (Non-RSVA Accounts) | | \$617,171 |
| Total Adjusted Regulatory Assets | | \$682,849 |
| 33% of Total Adjusted Regulatory Assets | | \$227,616.33 |

SHEET 6 - December 31, 2003 Regulatory Assets

----- Please go to Section 2 -----

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:

| | | |
|--|-----|-----|
| Total Adjusted Balance for RSVA Accounts | (a) | N/A |
| 33% of Total Adjusted Regulatory Assets | (b) | N/A |
| Remaining Final Amount to be recovered in future periods (a) - (b) | | N/A |

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:

| | |
|---|-----------|
| 33% OF Total Adjusted Regulatory Assets | \$227,616 |
| Total Adjusted Balance for RSVA Accounts | \$65,678 |
| Amount to be collected from RSVA Accounts | \$65,678 |
| Amount to be collected from Non-RSVA accounts | \$161,938 |

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.



YES



NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.



YES



NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ 65,678.00

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

NOTE: The allocation of Regulatory Assets applied for is not the 2003 kWh. The large user class is a Market Participant, therefore should not pay for any of RSVA - WMSC. Allocation based upon schedules - Allocation of RSVA.

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2003 Reg. Asset Recovery | 2003 RSVA Allocations |
|--|---------|--------------------|--------------------------------------|-----------------------|--------------------------|-----------------------|
| Residential Class | 0 | 59,641,045 | 5,879 | \$1,556,283 | 35.5% | \$23,418 |
| General Service < 50 KW Class | 0 | 20,182,237 | 665 | \$198,362 | 12.0% | \$7,925 |
| General Service > 50 KW Non-Time of Use | 168,460 | 88,125,786 | 108 | \$248,351 | 52.5% | \$34,603 |
| General Service > 50 KW Time of Use | 0 | 0 | 0 | \$0 | 0.0% | \$0 |
| Intermediate Use | 0 | 0 | 0 | \$0 | 0.0% | \$0 |
| Large Class User | 69,854 | 42,627,110 | 1 | -\$3,592 | -1.0% | -\$857 |
| Sentinel Lights | 147 | 46,530 | 46 | \$3,450 | 0.0% | \$18 |
| Street Lighting | 3,886 | 1,456,621 | 3 | \$25,549 | 0.9% | \$571 |
| TOTALS | | 212,079,329 | 6,702 | \$2,028,403.00 | 1.00 | \$65,678 |
| Allocated Total for RSVA accounts =====> | | | | | | \$65,678 |

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$23,418 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$23,418 | \$0 | \$23,418 |
| (D) Number of kWh | 59,641,045 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0004 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$7,925 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$7,925 | \$0 | \$7,925 |
| (D) Number of kWh | 20,182,237 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0004 | | |

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

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

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$34,603 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$34,603 | \$0 | \$34,603 |
| (D) Number of kW | 168,460 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.2054 | | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Intermediate Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | -\$857 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | -\$857 | \$0 | -\$857 |
| (D) Number of kW | 69,854 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | -\$0.0123 | | |

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$18 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$18 | \$0 | \$18 |
| (D) Number of kW | 147 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.1224 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$571 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$571 | \$0 | \$571 |
| (D) Number of kW | 3,886 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.1469 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2)

\$ 161,938.33

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

NOTE: The allocation of the Non-RSVA accounts is not the 2003 distribution revenue. Large User class' distribution revenue is negative. Therefore proposing to allocate based upon the same allocation for the PILs.

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2002 Rate Application PILs % | 2002 Regulatory Asset RSVA Allocations |
|--|---------|--------------------|--------------------------------------|-----------------------|---------------------------------|--|
| Residential Class | 0 | 59,641,045 | 5,879 | \$1,556,283 | 72.60% | \$117,567 |
| General Service < 50 kW Class | 0 | 20,182,237 | 665 | \$198,362 | 11.83% | \$19,157 |
| General Service > 50 kW Non-Time of Use | 168,460 | 88,125,786 | 108 | \$248,351 | 12.56% | \$20,339 |
| General Service > 50 kW Time of Use | 0 | 0 | 0 | \$0 | 0.00% | \$0 |
| Intermediate Use | 0 | 0 | 0 | \$0 | 0.00% | \$0 |
| Large Class User | 69,854 | 42,627,110 | 1 | -\$3,592 | 1.84% | \$2,980 |
| Sentinel Lights | 147 | 46,530 | 46 | \$3,450 | 0.04% | \$65 |
| Street Lighting | 3,886 | 1,456,621 | 3 | \$25,549 | 1.13% | \$1,830 |
| TOTALS | | 212,079,329 | 6,702 | \$2,028,403 | 1.00 | \$161,938 |
| Allocated Total for Non-RSVA accounts =====> | | | | | | \$161,938 |

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$117,567 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$117,567 | \$0 | \$117,567 |
| (D) Number of kWh | 59,641,045 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0020 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$19,157 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$19,157 | \$0 | \$19,157 |
| (D) Number of kWh | 20,182,237 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0009 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

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

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$20,339 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$20,339 | \$0 | \$20,339 |
| (D) Number of kW | 168,460 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.1207 | | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Intermediate Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 0 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$2,980 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$2,980 | \$0 | \$2,980 |
| (D) Number of kW | 69,854 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0427 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$65 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$65 | \$0 | \$65 |
| (D) Number of kW | 147 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.4406 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------------|-------------------------------|-------------------------|
| (A) Allocated RSVA | | | \$1,830 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$1,830 | \$0 | \$1,830 |
| (D) Number of kW | 3,886 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.4709 | | |

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0160

MONTHLY SERVICE CHARGE (Per Customer) \$13.40

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE

MONTHLY SERVICE CHARGE (Per Customer)

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0061

MONTHLY SERVICE CHARGE (Per Customer) \$17.44

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.7482

MONTHLY SERVICE CHARGE (Per Customer) \$42.71

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

INTERMEDIATE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

LARGE USE

| | |
|---------------------------------------|------------|
| DISTRIBUTION KW RATE | \$0.3543 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$1,904.93 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$5.4365 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.90 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$3.5531 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.72 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

SHEET 10 - Phase 2 Final Rate Riders

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery
- Phase 2 rate riders.

| Class | Rate Rider per kWh (or kW) |
|---|-------------------------------|
| Residential Class | |
| General Service < 50 KW Class | |
| General Service > 50 KW Non-Time of Use | |
| General Service > 50 KW Time of Use | |
| Intermediate Use | |
| Large Class User | |
| Sentinel Lights | |
| Street Lighting | |

Middlesex Power Distribution Corporation
RP-2005-0013 EB-2005-0048
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

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

RESIDENTIAL (Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kWh) |

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 |

GENERAL SERVICE > 50 KW (Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

INTERMEDIATE USE

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

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 month) | \$0.90 |
| Distribution Volumetric Rate | (per kW) | \$5.4365 |

Middlesex Power Distribution Corporation
RP-2005-0013 EB-2005-0048
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

STREET LIGHTING (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.72 |
| Distribution Volumetric Rate | (per kW) | \$3.5531 |

STREET LIGHTING (Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

SHEET 12 - Current Rates as of April 1, 2004

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.1 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in your 2004 Rate Order.

You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0117 |
| Monthly Service Charge (Per Customer) | \$13.20 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|--|
| Distribution kWh Rate | |
| Monthly Service Charge (Per Customer) | |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0048 |
| Monthly Service Charge (Per Customer) | \$17.17 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$1.9628 |
| Monthly Service Charge (Per Customer) | \$42.06 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|--|
| Distribution KW Rate | |
| Monthly Service Charge (Per Customer) | |

INTERMEDIATE USE

| | |
|---------------------------------------|--|
| Distribution KW Rate | |
| Monthly Service Charge (Per Customer) | |

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

| | |
|---------------------------------------|------------|
| Distribution KW Rate | \$0.3234 |
| Monthly Service Charge (Per Customer) | \$1,876.09 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$4.3114 |
| Monthly Service Charge (Per Customer) | \$0.89 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---------------------------------------|--|
| Distribution KW Rate | |
| Monthly Service Charge (Per Customer) | |

STREET LIGHTING (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$3.2011 |
| Monthly Service Charge (Per Customer) | \$0.71 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---------------------------------------|--|
| Distribution KW Rate | |
| Monthly Service Charge (Per Customer) | |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| | | |
|------------------|--|----------------|
| Name of Utility: | Middlesex Power Distribution Corporation | 2005.V1.0 |
| License Number: | ED-2003-0059 | RP-2005-0013 |
| Name of Contact: | Jim Hogan | EB-2005-0048 |
| E- Mail Address: | jimhogan@ckenergy.com | |
| Phone Number: | 519-352-6300 | Extension: 277 |
| Date: | March 8, 2005 | |

Monthly Consumption

RESIDENTIAL CLASS

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

| CURRENT 2004 BILL | | | | | FUTURE 2005 BILL | | | | | |
|---------------------------------------|------------------------|-----|-------------|-------------|------------------------|-----|-------------|-------------|-------------|------------|
| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 100 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | Monthly Service Charge | N/A | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 100 | \$ 0.0117 | \$ 1.17 | Distribution (kWh) | 100 | \$ 0.0160 | \$ 1.60 | | |
| | | | Sub-Total | \$ 14.37 | | | Sub Total | \$ 15.00 | \$ 0.63 | 4.38% |
| | Other Charges (kWh) | 100 | \$ 0.0239 | \$ 2.39 | Other Charges (kWh) | 100 | \$ 0.0239 | \$ 2.39 | | |
| | Cost of Power (kWh) | 100 | \$ 0.0470 | \$ 4.70 | Cost of Power (kWh) | 100 | \$ 0.0470 | \$ 4.70 | | |
| | Current 2004 Bill | | | \$ 21.46 | Adjusted 2005 Bill | | | \$ 22.09 | \$ 0.63 | 2.93% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-----|-------------|-------------|------------------------|-----|-------------|-------------|-------------|------------|
| 250 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | Monthly Service Charge | N/A | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 250 | \$0.0117 | \$ 2.93 | Distribution (kWh) | 250 | \$ 0.0160 | \$ 4.00 | | |
| | | | Sub-Total | \$ 16.13 | | | Sub Total | \$ 17.40 | \$ 1.27 | 7.90% |
| | Other Charges (kWh) | 250 | \$ 0.0239 | \$ 5.98 | Other Charges (kWh) | 250 | \$ 0.0239 | \$ 5.98 | | |
| | Cost of Power (kWh) | 250 | \$ 0.0470 | \$ 11.75 | Cost of Power (kWh) | 250 | \$ 0.0470 | \$ 11.75 | | |
| | Current 2004 Bill | | | \$ 33.85 | Adjusted 2005 Bill | | | \$ 35.12 | \$ 1.27 | 3.76% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-----|-------------|-------------|------------------------|-----|-------------|-------------|-------------|------------|
| 500 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | Monthly Service Charge | N/A | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 500 | \$0.0117 | \$ 5.85 | Distribution (kWh) | 500 | \$ 0.0160 | \$ 8.00 | | |
| | | | Sub-Total | \$ 19.05 | | | Sub Total | \$ 21.40 | \$ 2.35 | 12.32% |
| | Other Charges (kWh) | 500 | \$ 0.0239 | \$ 11.95 | Other Charges (kWh) | 500 | \$ 0.0239 | \$ 11.95 | | |
| | Cost of Power (kWh) | 500 | \$ 0.0470 | \$ 23.50 | Cost of Power (kWh) | 500 | \$ 0.0470 | \$ 23.50 | | |
| | Current 2004 Bill | | | \$ 54.50 | Adjusted 2005 Bill | | | \$ 56.85 | \$ 2.35 | 4.31% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-----|-------------|-------------|--|------------------------|-------------|-------------|---------------|----------------|
| 750 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | | Monthly Service Charge | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 750 | \$0.0117 | \$ 8.78 | | Distribution (kWh) | 750 | \$ 0.0160 | \$ 12.00 | |
| | | | Sub-Total | \$ 21.98 | | | | Sub Total | \$ 25.40 | \$ 3.42 15.57% |
| | Other Charges (kWh) | 750 | 0.0239 | \$ 17.93 | | Other Charges (kWh) | 750 | 0.0239 | \$ 17.93 | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 75.15 | | Adjusted 2005 Bill | | \$ 78.57 | \$ 3.42 4.55% | |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|------|-------------|-------------|--|------------------------|-------------|-------------|---------------|----------------|
| 1,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | | Monthly Service Charge | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 1000 | \$0.0117 | \$ 11.70 | | Distribution (kWh) | 1000 | \$ 0.0160 | \$ 15.99 | |
| | | | Sub-Total | \$ 24.90 | | | | Sub Total | \$ 29.39 | \$ 4.49 18.05% |
| | Other Charges (kWh) | 1000 | 0.0239 | \$ 23.90 | | Other Charges (kWh) | 1000 | 0.0239 | \$ 23.90 | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 250 | 0.0550 | \$ 13.75 | | Cost of Power (kWh) | 250 | 0.0550 | \$ 13.75 | |
| | Current 2004 Bill | | | \$ 97.80 | | Adjusted 2005 Bill | | \$ 102.29 | \$ 4.49 4.60% | |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|------|-------------|-------------|--|------------------------|-------------|-------------|---------------|----------------|
| 1,500 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | | Monthly Service Charge | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 1500 | \$0.0117 | \$ 17.55 | | Distribution (kWh) | 1500 | \$ 0.0160 | \$ 23.99 | |
| | | | Sub-Total | \$ 30.75 | | | | Sub Total | \$ 37.39 | \$ 6.64 21.60% |
| | Other Charges (kWh) | 1500 | 0.0239 | \$ 35.85 | | Other Charges (kWh) | 1500 | 0.0239 | \$ 35.85 | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 750 | 0.0550 | \$ 41.25 | | Cost of Power (kWh) | 750 | 0.0550 | \$ 41.25 | |
| | Current 2004 Bill | | | \$ 143.10 | | Adjusted 2005 Bill | | \$ 149.74 | \$ 6.64 4.64% | |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------|-------------|-------------|--|------------------------|-------------|-------------|---------------|----------------|
| 2,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 13.20 | | Monthly Service Charge | N/A | \$ 13.40 | | |
| | Distribution (kWh) | 2000 | \$0.0117 | \$ 23.40 | | Distribution (kWh) | 2000 | \$ 0.0160 | \$ 31.99 | |
| | | | Sub-Total | \$ 36.60 | | | | Sub Total | \$ 45.39 | \$ 8.79 24.01% |
| | Other Charges (kWh) | 2000 | 0.0239 | \$ 47.80 | | Other Charges (kWh) | 2000 | 0.0239 | \$ 47.80 | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 1,250 | 0.0550 | \$ 68.75 | | Cost of Power (kWh) | 1,250 | 0.0550 | \$ 68.75 | |
| | Current 2004 Bill | | | \$ 188.40 | | Adjusted 2005 Bill | | \$ 197.19 | \$ 8.79 4.67% | |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE < 50 KW

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

| | | CURRENT 2004 BILL | | | FUTURE 2005 BILL | | | | | |
|---------------------------------------|------------------------|-------------------|-------------|-------------|------------------------|--------------------|-------------|-------------|-------------|------------|
| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 1,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 17.17 | Monthly Service Charge | N/A | N/A | \$ 17.44 | | |
| | Distribution (kWh) | 1000 | \$ 0.0048 | \$ 4.80 | Distribution (kWh) | 1000 | \$ 0.0061 | \$ 6.11 | | |
| | | | Sub-Total | \$ 21.97 | | | Sub Total | \$ 23.55 |  |  | $ 1.58 | 7.17% |
| | Other Charges (kWh) | 1000 | \$ 0.0229 | \$ 22.90 | Other Charges (kWh) | 1000 | \$ 0.0229 | \$ 22.90 | | |
| | Cost of Power (kWh) | 1000 | \$ 0.0470 | \$ 47.00 | Cost of Power (kWh) | 1000 | \$ 0.0470 | \$ 47.00 | | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | | \$ 91.87 | Adjusted 2005 Bill | | | \$ 93.45 | \$ 1.58 | 1.72% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|
| 2,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 17.17 | | Monthly Service Charge | N/A | \$ 17.44 | | |
| | Distribution (kWh) | 2000 | \$0.0048 | \$ 9.60 | | Distribution (kWh) | 2000 | \$0.0061 | \$ 12.22 | |
| | | | Sub-Total | \$ 26.77 | | | Sub Total | \$ 29.66 | \$ 2.89 | 10.78% |
| | Other Charges (kWh) | 2000 | \$0.0229 | \$ 45.80 | | Other Charges (kWh) | 2,000 | \$0.0229 | \$ 45.80 | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 1,250 | \$0.0550 | \$ 68.75 | | Cost of Power (kWh) | 1,250 | \$0.0550 | \$ 68.75 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 176.57 | | Adjusted 2005 Bill | | \$ 179.46 | \$ 2.89 | 1.63% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|
| 5,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 17.17 | | Monthly Service Charge | N/A | \$ 17.44 | | |
| | Distribution (kWh) | 5000 | \$0.0048 | \$ 24.00 | | Distribution (kWh) | 5000 | \$0.0061 | \$ 30.55 | |
| | | | Sub-Total | \$ 41.17 | | | Sub Total | \$ 47.99 | \$ 6.82 | 16.56% |
| | Other Charges (kWh) | 5000 | \$0.0229 | \$ 114.50 | | Other Charges (kWh) | 5,000 | \$0.0229 | \$ 114.50 | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 4,250 | \$0.0550 | \$ 233.75 | | Cost of Power (kWh) | 4,250 | \$0.0550 | \$ 233.75 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 424.67 | | Adjusted 2005 Bill | | \$ 431.49 | \$ 6.82 | 1.60% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|
| 10,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 17.17 | | Monthly Service Charge | N/A | \$ 17.44 | | |
| | Distribution (kWh) | 10000 | \$0.0048 | \$ 48.00 | | Distribution (kWh) | 10000 | \$0.0061 | \$ 61.10 | |
| | | | Sub-Total | \$ 65.17 | | | Sub Total | \$ 78.54 | \$ 13.37 | 20.51% |
| | Other Charges (kWh) | 10000 | \$0.0229 | \$ 229.00 | | Other Charges (kWh) | 10,000 | \$0.0229 | \$ 229.00 | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 9,250 | \$0.0550 | \$ 508.75 | | Cost of Power (kWh) | 9,250 | \$0.0550 | \$ 508.75 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 838.17 | | Adjusted 2005 Bill | | \$ 851.54 | \$ 13.37 | 1.59% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|--------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|
| 15,000 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 17.17 | | Monthly Service Charge | N/A | \$ 17.44 | | |
| | Distribution (kWh) | 15000 | \$0.0048 | \$ 72.00 | | Distribution (kWh) | 15000 | \$0.0061 | \$ 91.65 | |
| | | | Sub-Total | \$ 89.17 | | | Sub Total | \$ 109.09 | \$ 19.92 | 22.34% |
| | Other Charges (kWh) | 15000 | \$0.0229 | \$ 343.50 | | Other Charges (kWh) | 15,000 | \$0.0229 | \$ 343.50 | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 14,250 | \$0.0550 | \$ 783.75 | | Cost of Power (kWh) | 14,250 | \$0.0550 | \$ 783.75 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 1,251.67 | | Adjusted 2005 Bill | | \$ 1,271.59 | \$ 19.92 | 1.59% |

GENERAL SERVICE > 50 KW to 3000 KW

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

| CURRENT 2004 BILL | | | | | FUTURE 2005 BILL | | | | | |
|------------------------------------|------------------------|---------|----------------------|-------------|------------------|------------------------|----------------------|-------------|-------------|------------|
| ENTER DESIRED CONSUMPTION LEVEL kW | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 60 | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 42.06 | | Monthly Service Charge | N/A | \$ 42.71 | | |
| | Distribution (kW) | 60 | \$1.9628 | \$ 117.77 | | Distribution (kW) | 60 | \$1.7482 | \$ 104.89 | |
| | | | Sub-Total | \$ 159.83 | | | Sub Total | \$ 147.61 | \$ (12.22) | -7.65% |
| | Other Charges (kW) | 60 | \$3.9100 | \$ 234.60 | | Other Charges (kW) | 60.00 | \$3.9100 | \$ 234.60 | |
| | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | |
| | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | |
| | | | | | | | | | | |
| | Current 2004 Bill | | | \$ 633.68 | | Adjusted 2005 Bill | | \$ 621.46 | \$ (12.22) | -1.93% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|---------|----------------------|-------------|--|------------------------|----------------------|-------------|-------------|-------------------------------|
| kW | | | | | | | | | | |
| 100 | Monthly Service Charge | N/A | N/A | \$ 42.06 | | Monthly Service Charge | N/A | \$ 42.71 | | |
| | Distribution (kW) | 100 | \$1.9628 | \$ 196.28 | | Distribution (kW) | 100 | \$1.7482 | \$ 174.82 | |
| kWh | | | | | | | | | | |
| 40,000 | Sub-Total | | | \$ 238.34 | | Sub Total | | | \$ 217.54 | \$ (20.80) -8.73% |
| | Other Charges (kW) | 100 | \$3.9100 | \$ 391.00 | | Other Charges (kW) | 100.00 | \$3.9100 | \$ 391.00 | |
| | Other Charges (kWh) | 40,000 | \$0.0132 | \$ 528.00 | | Other Charges (kWh) | 40,000 | \$0.0132 | \$ 528.00 | |
| | Cost of Power (kWh) | 40,000 | \$0.0550 | \$ 2,200.00 | | Cost of Power (kWh) | 40,000 | \$0.0550 | \$ 2,200.00 | |
| Current 2004 Bill | | | | \$ 3,357.34 | | Adjusted 2005 Bill | | | | \$ 3,336.54 \$ (20.80) -0.62% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|---------|----------------------|-------------|--|------------------------|----------------------|-------------|-------------|--------------------------------|
| kW | | | | | | | | | | |
| 500 | Monthly Service Charge | N/A | N/A | \$ 42.06 | | Monthly Service Charge | N/A | \$ 42.71 | | |
| | Distribution (kW) | 500 | \$1.9628 | \$ 981.40 | | Distribution (kW) | 500 | \$1.7482 | \$ 874.12 | |
| kWh | | | | | | | | | | |
| 100,000 | Sub-Total | | | \$ 1,023.46 | | Sub Total | | | \$ 916.83 | \$ (106.63) -10.42% |
| | Other Charges (kW) | 500 | \$3.9100 | \$ 1,955.00 | | Other Charges (kW) | 500.00 | \$3.9100 | \$ 1,955.00 | |
| | Other Charges (kWh) | 100,000 | \$0.0132 | \$ 1,320.00 | | Other Charges (kWh) | 100,000 | \$0.0132 | \$ 1,320.00 | |
| | Cost of Power (kWh) | 100,000 | \$0.0550 | \$ 5,500.00 | | Cost of Power (kWh) | 100,000 | \$0.0550 | \$ 5,500.00 | |
| Current 2004 Bill | | | | \$ 9,798.46 | | Adjusted 2005 Bill | | | | \$ 9,691.83 \$ (106.63) -1.09% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|---------|----------------------|--------------|--|------------------------|----------------------|-------------|--------------|---------------------------------|
| kW | | | | | | | | | | |
| 1,000 | Monthly Service Charge | N/A | N/A | \$ 42.06 | | Monthly Service Charge | N/A | \$ 42.71 | | |
| | Distribution (kW) | 1,000 | \$1.9628 | \$ 1,962.80 | | Distribution (kW) | 1000 | \$1.7482 | \$ 1,748.23 | |
| kWh | | | | | | | | | | |
| 400,000 | Sub-Total | | | \$ 2,004.86 | | Sub Total | | | \$ 1,790.95 | \$ (213.91) -10.67% |
| | Other Charges (kW) | 1,000 | \$3.9100 | \$ 3,910.00 | | Other Charges (kW) | 1,000.00 | \$3.9100 | \$ 3,910.00 | |
| | Other Charges (kWh) | 400,000 | \$0.0132 | \$ 5,280.00 | | Other Charges (kWh) | 400,000 | \$0.0132 | \$ 5,280.00 | |
| | Cost of Power (kWh) | 400,000 | \$0.0550 | \$ 22,000.00 | | Cost of Power (kWh) | 400,000 | \$0.0550 | \$ 22,000.00 | |
| Current 2004 Bill | | | | \$ 33,194.86 | | Adjusted 2005 Bill | | | | \$ 32,980.95 \$ (213.91) -0.64% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|-----------|----------------------|--------------|--|------------------------|----------------------|---------------------|-------------|------------|
| kW 3,000 kWh 1,000,000 | Monthly Service Charge | N/A | N/A | \$ 42.06 | | Monthly Service Charge | N/A | \$ 42.71 | | |
| | Distribution (kW) | 3,000 | \$1.9628 | \$ 5,888.40 | | Distribution (kW) | 3000 | 1.7482 \$ 5,244.70 | | |
| | | | Sub-Total | \$ 5,930.46 | | | Sub Total | \$ 5,287.41 | \$ (643.05) | -10.84% |
| | Other Charges (kW) | 3,000 | 3.9100 | \$ 11,730.00 | | Other Charges (kW) | 3,000.00 | 3.9100 \$ 11,730.00 | | |
| | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | | Other Charges (kWh) | 1,000,000 | 0.0132 \$ 13,200.00 | | |
| | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | | Cost of Power (kWh) | 1,000,000 | 0.0550 \$ 55,000.00 | | |
| | Current 2004 Bill | | | \$ 85,860.46 | | Adjusted 2005 Bill | | \$ 85,217.41 | \$ (643.05) | -0.75% |

INTERMEDIATE CLASS (> 3000 KW to 5000 KW)

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.2138/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| | | CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | | |
|---------------------------------|--|------------------------|----------------------|-------------|--------------|------------------|------------------------|----------------------|-------------|--------------|------------|
| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| kW | | | | | | | | | | | |
| 3,000 | | Monthly Service Charge | N/A | N/A | \$ - | | Monthly Service Charge | N/A | N/A | | |
| kWh | | Distribution (kW) | 3,000 | \$0.0000 | \$ - | | Distribution (kW) | 3000 | #VALUE! | | |
| 800,000 | | | Sub-Total | \$ - | | | | Sub Total | #VALUE! | #VALUE! | #VALUE! |
| | | Other Charges (kW) | 3,000 | 4.2138 | \$ 12,641.40 | | Other Charges (kWh) | 3,000.00 | 4.2138 | \$ 12,641.40 | |
| | | Other Charges (kWh) | 800,000 | 0.0132 | \$ 10,560.00 | | Other Charges (kWh) | 800,000 | 0.0132 | \$ 10,560.00 | |
| | | Cost of Power (kWh) | 800,000 | 0.0550 | \$ 44,000.00 | | Cost of Power (kWh) | 800,000 | 0.0550 | \$ 44,000.00 | |
| | | Current 2004 Bill | | | \$ 67,201.40 | | Adjusted 2005 Bill | | | #VALUE! | #VALUE! |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|-----------|----------------------|--------------|--|------------------------|----------------------|---------------------|-------------|------------|
| kW 3,000 kWh 1,000,000 | Monthly Service Charge | N/A | N/A | \$ - | | Monthly Service Charge | N/A | N/A | | |
| | Distribution (kW) | 3,000 | \$0.0000 | \$ - | | Distribution (kW) | 3000 | #VALUE! | | |
| | | | Sub-Total | \$ - | | | Sub Total | #VALUE! | #VALUE! | #VALUE! |
| | Other Charges (kW) | 3,000 | 4.2138 | \$ 12,641.40 | | Other Charges (kWh) | 3,000.00 | 4.2138 \$ 12,641.40 | | |
| | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | | Other Charges (kWh) | 1,000,000 | 0.0132 \$ 13,200.00 | | |
| | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | | Cost of Power (kWh) | 1,000,000 | 0.0550 \$ 55,000.00 | | |
| | Current 2004 Bill | | | \$ 80,841.40 | | Adjusted 2005 Bill | | #VALUE! | #VALUE! | #VALUE! |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|-----------|----------------------|--------------|--|------------------------|----------------------|---------------------|-------------|------------|
| kW 4,000 kWh 1,200,000 | Monthly Service Charge | N/A | N/A | \$ - | | Monthly Service Charge | N/A | N/A | | |
| | Distribution (kW) | 4,000 | \$0.0000 | \$ - | | Distribution (kW) | 4000 | #VALUE! | | |
| | | | Sub-Total | \$ - | | | Sub Total | #VALUE! | #VALUE! | #VALUE! |
| | Other Charges (kW) | 4,000 | 4.2138 | \$ 16,855.20 | | Other Charges (kWh) | 4,000.00 | 4.2138 \$ 16,855.20 | | |
| | Other Charges (kWh) | 1,200,000 | 0.0132 | \$ 15,840.00 | | Other Charges (kWh) | 1,200,000 | 0.0132 \$ 15,840.00 | | |
| | Cost of Power (kWh) | 1,200,000 | 0.0550 | \$ 66,000.00 | | Cost of Power (kWh) | 1,200,000 | 0.0550 \$ 66,000.00 | | |
| | Current 2004 Bill | | | \$ 98,695.20 | | Adjusted 2005 Bill | | #VALUE! | #VALUE! | #VALUE! |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|-----------|------------------------|----------------------|---------------|--------------|------------------------|----------------------|-------------|--------------|------------|
| kW | 4,000 | Monthly Service Charge | N/A | N/A | \$ - | Monthly Service Charge | N/A | N/A | | |
| | kWh | Distribution (kW) | 4,000 | \$0.0000 | \$ - | Distribution (kW) | 4000 | #VALUE! | | |
| | 1,800,000 | | Sub-Total | \$ - | | | Sub Total | #VALUE! | #VALUE! | #VALUE! |
| | | Other Charges (kW) | 4,000 | 4.2138 | \$ 16,855.20 | Other Charges (kWh) | 4,000.00 | 4.2138 | \$ 16,855.20 | |
| | | Other Charges (kWh) | 1,800,000 | 0.0132 | \$ 23,760.00 | Other Charges (kWh) | 1,800,000 | 0.0132 | \$ 23,760.00 | |
| | | Cost of Power (kWh) | 1,800,000 | 0.0550 | \$ 99,000.00 | Cost of Power (kWh) | 1,800,000 | 0.0550 | \$ 99,000.00 | |
| | | Current 2004 Bill | | \$ 139,615.20 | | Adjusted 2005 Bill | | #VALUE! | #VALUE! | #VALUE! |

LARGE USE CLASS (> 5000 KW)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$0.047369/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.
 Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
 You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | | | | | FUTURE 2005 BILL | | | | | | |
|---------------------------------|--|------------------------|----------------------|-------------|------------------|------------------------|-----------|----------------------|-------------|---------------|------------|
| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| kW | | | | | | | | | | | |
| 6,000 | | Monthly Service Charge | N/A | N/A | \$ 1,876.09 | Monthly Service Charge | | N/A | N/A | \$ 1,904.93 | |
| kWh | | Distribution (kW) | 6,000 | \$0.3234 | \$ 1,940.40 | Distribution (kW) | | 6000 | \$0.35 | \$ 2,125.80 | |
| 2,800,000 | | | Sub-Total | \$ 3,816.49 | | | Sub Total | \$ 4,030.72 | | \$ 214.23 | 5.61% |
| | | Other Charges (kW) | 6,000 | 0.0474 | \$ 284.21 | Other Charges (kWh) | | 6,000.00 | 0.0474 | \$ 284.21 | |
| | | Other Charges (kWh) | 2,800,000 | 0.0132 | \$ 36,960.00 | Other Charges (kWh) | | 2,800,000 | 0.0132 | \$ 36,960.00 | |
| | | Cost of Power (kWh) | 2,800,000 | 0.0550 | \$ 154,000.00 | Cost of Power (kWh) | | 2,800,000 | 0.0550 | \$ 154,000.00 | |
| | | Current 2004 Bill | | | \$ 195,060.70 | Adjusted 2005 Bill | | \$ 195,274.94 | | \$ 214.23 | 0.11% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------|------------------------|----------------------|---------------|---------------|------------------------|----------------------|---------------|---------------|------------|
| kW | 15,000 | Monthly Service Charge | N/A | N/A | \$ 1,876.09 | Monthly Service Charge | N/A | N/A | \$ 1,904.93 | |
| | kWh | Distribution (kW) | 15,000 | \$0.3234 | \$ 4,851.00 | Distribution (kW) | 15000 | \$0.35 | \$ 5,314.49 | |
| | 10,000,000 | | Sub-Total | \$ 6,727.09 | | | Sub Total | \$ 7,219.42 | \$ 492.33 | 7.32% |
| | | Other Charges (kW) | 15,000 | 0.0474 | \$ 710.54 | Other Charges (kWh) | 15,000.00 | 0.0474 | \$ 710.54 | |
| | | Other Charges (kWh) | 10,000,000 | 0.0132 | \$ 132,000.00 | Other Charges (kWh) | 10,000,000 | 0.0132 | \$ 132,000.00 | |
| | | Cost of Power (kWh) | 10,000,000 | 0.0550 | \$ 550,000.00 | Cost of Power (kWh) | 10,000,000 | 0.0550 | \$ 550,000.00 | |
| | | Current 2004 Bill | | \$ 689,437.63 | | Adjusted 2005 Bill | | \$ 689,929.96 | \$ 492.33 | 0.07% |

Attachment 31
Interest Ledger Reconciliation

Attachment 31**Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill****Reconciliation of Financial Statement Interest**

| Year | Interest on Long-Term Debt | Interest on Short-Term Debt | Interest on Customer Deposits | Other Interest | Total | Per F/S | Difference |
|-------------|----------------------------|-----------------------------|-------------------------------|----------------|-----------|-----------|------------|
| 2001 | \$310,738 | \$49,698 | \$5,385 | \$2,272 | \$368,093 | \$368,093 | \$0 |
| 2002 | \$262,741 | \$72,411 | \$2,224 | \$4,944 | \$342,321 | \$342,321 | \$0 |
| 2003 | \$235,926 | \$27,491 | \$4,693 | \$40,500 | \$308,610 | \$308,610 | \$0 |
| 2004 | \$233,022 | \$23,967 | \$5,487 | \$2,193 | \$264,670 | \$264,670 | \$0 |
| 2005 - June | \$86,322 | \$17,309 | \$3,634 | \$11,089 | \$118,354 | \$118,354 | \$0 |
| 2005 - Dec | \$138,146 | \$19,251 | \$4,707 | \$361 | \$162,465 | \$162,465 | \$0 |

Attachment 32
Utilized Tax Rates

Attachment 32

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill

Summary of Tax Rates Utilized

| Filing | Location | Oct 1, 2001 to Dec 31, 2001 | Jan 1, 2002 to Dec 31, 2002 | Jan 1, 2003 to Dec 31, 2003 | Jan 1, 2004 to Dec 31, 2004 | Jan 1, 2005 to Jun 30, 2005 | Jul 1, 2005 to Dec 31, 2005 |
|---------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| Application Board | SIMPIL Tab TAXCALC Cell C53(54): Blended income tax rate | 34.12% | 34.12% | 34.12% | 34.12% | 27.50% | 27.50% |
| Approved PILs | SIMPIL Tab TAXCALC Cell C88 (89): Income tax rate used for gross-up | 34.12% | 33.00% | 33.00% | 33.00% | 27.50% | 27.50% |
| Proxy Calculation | (excluding surtax) | | | | | | |
| Combined PILs | Tax rate to calculate tax impact (Note 1) | 19.12% | 19.12% | 18.62% | 18.62% | 18.62% | 36.12% |
| Proceeding Decision | Tax rate to calculate the grossed-up amount (Note 1) | 18.00% | 18.00% | 17.50% | 17.50% | 17.50% | 35.00% |
| SIMPIL Models, Tab "TAXCALC" | Cell E122 (123): Calculation of true-up variance - income tax effect | 19.12% | 19.12% | 18.62% | 18.62% | 18.62% | 36.12% |
| | Cell E130 (131): Income tax rate used for gross-up (excluding surtax) | 18.00% | 18.00% | 17.50% | 17.50% | 17.50% | 35.00% |
| | Cell E138 (139): Calculation of Deferral Account Variance caused by changes in legislation - Revised corporate income tax rate | 19.12% | 19.12% | 18.62% | 18.62% | 18.62% | 36.12% |
| | Cell E175 (176): Calculation of Deferral Account Variance caused by changes in legislation - Actual income tax rate used for gross-up (excluding surtax) | 18.00% | 18.00% | 17.50% | 17.50% | 17.50% | 35.00% |

Notes:

(1) For the pre-acquisition period (October 1, 2001 to June 30, 2005), this represents the minimum income tax rate guidance per page 17 of the Combined Proceeding decision (EB-2008-0381). For the post-acquisition period (July 1, 2005 to December 31, 2005), this represents the maximum income tax rate guidance per page 17 of the Combined Proceeding decision (EB-2008-0381).