

Margaret Nanninga Manager of Finance Tel: (519) 745-4771 Fax: (519) 571-9338

April 11, 2012

BY COURIER & RESS

Ms. Kirsten Walli, Board Secretary Ontario Energy Board 2300 Yonge Street, 26th Floor, P.O. Box 2319 TORONTO, ON M4P 1E4

Re: IRM 2012 EB Number: EB-2011-0179 Draft Rate Order

Kitchener-Wilmot Hydro Inc. Application for Approval of 2012 Electricity

Distribution Rates, Licence No. ED-2002-0573

Dear Ms. Walli:

On November 1, 2011, Kitchener-Wilmot Hydro Inc. (KWHI) submitted its 2012 IRM Application to the Ontario Energy Board (the Board) for rates effective May 1, 2012. The Board issued its Decision on this Application on April 4, 2012 in which the Board directed KWHI to file a draft Rate Order with the Board that reflected the Board's findings with 7 days. Attached please find the required documentation.

A copy of this package has been electronically filed through the Ontario Energy Board's RESS system. The original and one copy have been couriered to the Board's offices.

Should you require any further information or clarification of any of the above, kindly contact myself.

Respectfully submitted,

Original Signed by

M. Nanninga, MBA, CGA

Manager of Finance

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ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Kitchener-Wilmot Hydro Inc. to the Ontario Energy Board for an Order approving just and reasonable rates and other charges, effective May 1, 2012.

DRAFT RATE ORDER OF KITCHENER-WILMOT HYDRO INC.

A. INTRODUCTION

- 1. Kitchener-Wilmot Hydro Inc. ("KWHI" or the "Applicant") owns and operates the electricity distribution system located in the City of Kitchener and the Township of Wilmot.
- 2. On November 1, 2011, Kitchener-Wilmot Hydro Inc. ("KWHI") submitted its IRM Application to the Ontario Energy Board ("the Board") for rates effective May 1, 2012.
- 3. Subsequently, the Board issued a Letter of Direction and Notice of Application and Hearing on November 14, 2011.
- 4. As a result of the Notice of Application and Hearing, the Board received one intervention request from the Vulnerable Energy Consumers Coalition ("VECC"), which was accepted on December 9, 2011.
- 5. As per the Board's instructions, KWHI received written interrogatories from both Board staff and VECC.
- KWHI submitted its responses to those interrogatories on January 13, 2012. In addition to the interrogatory responses, KWHI updated its LRAM Application with the Final OPA 2010 Program Results received by the Applicant on November 14, 2011.

- 7. Board submissions from both Board staff and VECC were received by KWHI on January 30, 2012 and KWHI filed its Reply Submission with the Board on February 8, 2012.
- The Board issued its Decision and Order on KWHI's Application on April 4, 2012. The Board directed KWHI to file a draft Rate Order with the Board that reflected the Board's findings within 7 days.
- Board staff supplied KWHI with updated rate models that reflect the changes made by the Board since the model was originally issued in 2011.

General

- 10. KWHI's model and resulting Rate Order includes the following updates as mandated by the Board:
 - a. Price Cap Index Adjustment of 1.08% as a result of the following components:
 - i. Price escalator of 2%
 - ii. Productivity factor of \$0.72%
 - iii. Stretch factor of 0.2%.
 - b. Amended RRRP charge of \$0.0011 per kWh (from \$0.0013 per kWh).
 - c. Sharing tax savings amount of \$436,903 to be refunded to customers over a one year period.
 - d. 2012 Uniform Transmission Rates.
 - e. Disposition of the debit balance in account 1521 Special Purpose Charge of \$16,967 over a one year period. The balance will be transferred to account 1595 effective May 1, 2012 and the account closed.
 - f. LRAM amount of \$96,279 to be recovered over a one year period.
 - g. Removal of the Smart Meter Funding Adder.
 - h. Updated values resulting from the calculation of the balance of account 1562 Deferred PILS (see below) for the Deferral/Variance Account Disposition rate rider.

Draft Rate Order

11. KWHI has included with this submission a draft Rate Order (Appendix A) which reflects the changes as ordered by the Board.

Payments In Lieu of Taxes - PILS 1562

12. KWHI has updated the interest table to reflect the Board's Decision:

Kitchener-Wilmot Hydro Inc. Interest Expense Years 2001 ~ 2005

Interest subject to clawback

_	2001	2002	2003	2004	2005
Interest on Long Term Debt	721,520	3,601,828	5,387,350	5,402,110	5,387,350
Interest on Short Term Debt	1,869	22,018	-	-	-
Interest on IESO Prudentials		57,757	93,085	89,701	89,456
Subtotal	723,389	3,681,604	5,480,435	5,491,811	5,476,806
Interest not subject to clawba	ck				
Interest on Security Deposits	27,020	34,207	50,237	90,014	98,107
Interest on PILS Returns					4,056
Subtotal	27,020	34,207	50,237	90,014	102,162
	750,409	3,715,810	5,530,672	5,581,825	5,578,968

- 13. KWHI has revised all the models to reflect the changes above. The SIMPIL models for the year 2001 ~ 2005 and an updated Continuity Schedule have been provided in Excel format and hard copies have been provided as Appendices B, C, D, E, F and G respectively.
- 14. As a result of the changes to the models through this process, the balance of Account 1562 has now been adjusted to a payable to customers of (\$369,683). This balance is comprised of a payable of PILS to customers of (\$521,274) plus interest payable from customers of \$151,591.

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EB-2011-0179 MONTHLY RATES AND CHARGES

Applied For Monthly Rates and Charges

Residential

Monthly Rates and Charges - Delivery Component
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Service Charge Distribution Volumetric Rate Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers Distribution Volumetric Def Var Disp 2011 - effective until Monday, April 30, 2013 Distribution Volumetric Def Var Disp 2012 - effective until Monday, April 30, 2013 Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery - effective until April 30, 2014 Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery - effective until April 30, 2013 Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery - effective until April 30, 2013 Distribution Volumetric Tax Change - effective until Monday, April 30, 2013 Retail Transmission Rate - Network Service Rate Retail Transmission Rate - Line and Transformation Connection Service Rate	\$ \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh	9.69 0.01718 0.00210 (0.00040) (0.00010) 0.00030 0.00003 (0.00040) 0.00600 0.00150
Monthly Rates and Charges - Regulatory Component		
Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$/kWh \$/kWh \$	0.0052 0.0011 0.25

General Service Less Than 50 kW

Monthly Rates and Charges - Delivery Component

Service Charge	\$	25.54
Distribution Volumetric Rate	\$/kWh	0.01233
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kWh	0.00210
Distribution Volumetric Def Var Disp 2011 – effective until Monday, April 30, 2013	\$/kWh	(0.00040)
Distribution Volumetric Def Var Disp 2012 – effective until Monday, April 30, 2013	\$/kWh	(0.00010)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014	\$/kWh	0.00010
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	\$/kWh	0.00013
Distribution Volumetric Tax Change – effective until Monday, April 30, 2013	\$/kWh	(0.00030)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00520
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00130

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Monthly Rates and Charges - Delivery Component

Service Charge		\$	236.11
Distribution Volumetric Rate		\$/kW	4.03188
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only	for Non-RPP Customers	\$/kW	0.81210
Distribution Volumetric Def Var Disp 2011 – effective until Monday, April 30, 2013		\$/kW	(0.15750)
Distribution Volumetric Def Var Disp 2012 – effective until Monday, April 30, 2013		\$/kW	(0.02300)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (Si	SM) Recovery – effective until April 30, 2014	\$/kW	0.01720
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (Si	SM) Recovery – effective until April 30, 2013	\$/kW	0.02049
Distribution Volumetric Tax Change – effective until Monday, April 30, 2013		\$/kW	(0.07490)
Retail Transmission Rate – Network Service Rate		\$/kW	2.75280
Retail Transmission Rate – Line and Transformation Connection Service Rate		\$/kW	0.71960
Monthly Potos and Charges Pagulatory Component			

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Monthly Rates and Charges - Delivery Component

Service Charge	\$	14,403.67
Distribution Volumetric Rate	\$/kW	1.37267
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kW	1.04030
Distribution Volumetric Def Var Disp 2011 – effective until Monday, April 30, 2013	\$/kW	(0.20220)
Distribution Volumetric Def Var Disp 2012 – effective until Monday, April 30, 2013	\$/kW	(0.01350)
Distribution Volumetric Tax Change – effective until Monday, April 30, 2013	\$/kW	0.03560
Retail Transmission Rate – Network Service Rate	\$/kW	2.58730
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.67640
Monthly Rates and Charges - Regulatory Component		

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Standby Power - INTERIM APPROVAL

Monthly Rates and Charges - Delivery Component

Unmetered Scattered Load

Monthly Rates and Charges - Delivery Component

Montiniy Rates and Charges - Delivery Component		
Service Charge (per connection) Distribution Volumetric Rate Distribution Volumetric Def Var Disp 2011 – effective until Monday, April 30, 2013 Distribution Volumetric Def Var Disp 2012 – effective until Monday, April 30, 2013 Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014 Distribution Volumetric Lax Change – effective until Monday, April 30, 2013 Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate	\$ \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh	8.46 0.01648 (0.00040) (0.00030) 0.00450 (0.00060) 0.00520 0.00130
Monthly Rates and Charges - Regulatory Component		
Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$/kWh \$/kWh \$	0.0052 0.0011 0.25
Street Lighting		
Monthly Rates and Charges - Delivery Component		
Service Charge (per connection) Distribution Volumetric Rate Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers Distribution Volumetric Def Var Disp 2011 - effective until Monday, April 30, 2013 Distribution Volumetric Def Var Disp 2012 - effective until Monday, April 30, 2013 Distribution Volumetric Tax Change - effective until Monday, April 30, 2013 Retail Transmission Rate - Network Service Rate Retail Transmission Rate - Line and Transformation Connection Service Rate	\$ \$/kW \$/kW \$/kW \$/kW \$/kW \$/kW	0.79 5.30245 0.72910 (0.14170) (0.04720) (0.14140) 1.67390 0.43770
Monthly Rates and Charges - Regulatory Component		
Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$/kWh \$/kWh \$	0.00520 0.00110 0.25
Embedded Distributor		
Monthly Rates and Charges - Delivery Component		
Distribution Volumetric Rate Distribution Volumetric Tax Change – effective until Monday, April 30, 2013 Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW \$/kW \$/kW \$/kW	1.13200 (0.01620) 2.59550 0.67850
Embedded Distributor		
Monthly Rates and Charges - Delivery Component		
Distribution Volumetric Rate	\$/kW	0.14030
microFIT Generator		
Service Charge	\$	5.25
Specific Service Charges Customer Administration Returned Cheque charge (plus bank charges) Account set up charge/change of occupancy charge (plus credit agency costs if applicable) Collection of Account Charge – No Disconnection Meter Dispute Charge Plus Measurement Canada Fees (if meter found correct) Meter Removal Without Authorization Non-Payment of Account	\$ \$ \$ \$ \$	15.00 10.00 30.00 30.00 60.00
Late Payment - per month Late Payment - per annum Disconnect/Reconnect at meter - during regular hours Disconnect/Reconnect at meter - after regular hours Disconnect/Reconnect at pole - during regular hours	% % \$ \$	1.50 19.56 45.00 75.00 95.00
Other Service call - after regular hours	\$	105.00
Specific Charge for Access to the Power Poles \$/pole/year Allowances	\$	22.35
Transformer Allowance for Ownership - per kW of billing demand/month Primary Metering Allowance for transformer losses - applied to measured demand and energy	\$/kW %	(0.60) (1.00)
Retail Service Charges (if applicable) Retail Service Charges (if applicable) Retail Service Charges (ff applicable) Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity		
One-time charge, per retailler, to establish the service agreement between the distributor and the retailler Monthly Fixed Charge, per retailler Monthly Variable Charge, per customer, per retailer Monthly Variable Charge, per customer, per retailer Distributor-consolidated billing charge, per customer, per retailer	\$ \$ \$/cust. \$/cust.	100.00 20.00 0.50 0.30
Retailer-consolidated billing credit, per customer, per retailer Service Transaction Requests (STR)	\$/cust.	(0.30)
Request fee, per request, applied to the requesting party Processing fee, per request, applied to the requesting party	\$ \$	0.25 0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00
LOSS FACTORS Total Loss Factor - Secondary Metered Customer < 5,000 kW Total Loss Factor - Secondary Metered Customer > 5,000 kW Total Loss Factor - Primary Metered Customer < 5,000 kW Total Loss Factor - Primary Metered Customer > 5,000 kW		1.0320 1.0154 1.0226 1.0053

	٨	В	С	D	Е
1	PILs TAXES - EB-2010-	Б	C) D	□ □ □ Version 2009.1
	REGULATORY INFORMATION (REGINFO)				VEISION 2009.1
	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
	Reporting period: 2001			Input Cell	
5	•			Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
	BACKGROUND 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Y	
13	tax (and therefore subject to FILS):		1/19		
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
	Is the utility a non-profit corporation?		Y/N	N	
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)		.,,,	.,	
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
	shared among the corporate group?	LCT	Y/N	- N	
	Please identify the % used to allocate the OCT and LCT exemptions in	OCT	1/19	99.98%	
	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100.00%	
23					
24	Accounting Year End		Date	12-31-2001	
	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
33	Common Equity Ratio (CER)			45.00%	
35	1-CER			55.00%	
30					
0	Target Return On Equity			9.88%	
39	Debt rate			7.00%	
41	Market Adjusted Revenue Requirement			11,608,690	
42	,	4,587,898			
43					
44	1999 return from RUD Sheet #7	(388,709)		4,199,189	4,199,189
46	Total Incremental revenue			7,409,501	
47	Input: Board-approved dollar amounts phased-in				
48	Amount allowed in 2001	2,340,264		2,340,264	
49	Amount allowed in 2002	388,709		2,728,973	0
50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
51 52	unless authorized by the Minister and the Board) Amount allowed in 2005 - Third tranche of MARR re: CDM				0
53	Other Board-approved changes to MARR or incremental revenue			-	0
54	Care. Dodia approvou changes to writer of indicinental revenue			-	0
55	Total Regulatory Income				6,539,453
56	•				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	Equity			62,969,025	
58					
	Return at target ROE			6,221,340	
60	Dalu			70,000,470	
61	Debt			76,962,142	
	Deemed interest amount in 100% of MARR			5,387,350	
64	Doomed interest amount in 10070 of MARKIX			0,007,000	
_	Phase-in of interest - Year 1 (2001)			3,034,823	
66	((D43+D47)/D41)*D61			3,00.,020	
	Phase-in of interest - Year 2 (2002)			4,301,283	
68	((D43+D47+D48)/D41)*D61				
	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
70	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
	Phase-in of interest - 2005			5,387,350	
72 73					
13					

	A	В	С Б	E	F	G	Н
1	PILs TAXES - EB-2010-	ITEM	Initial	M of F	M of F	Tax	-
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate	Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
_	("Wires-only" business - see Tab TAXREC)	_		G-C	Explanation		
5		0				Version 2009.1	
	Utility Name: Kitchener-Wilmot Hydro Inc. Reporting period: 2001						
8	Reporting period: 2001					Column	
	Days in reporting period:	92	days			Brought	
	Total days in the calendar year:	365	days			From	
11						TAXREC	
12			\$	\$		\$	
13							
) CORPORATE INCOME TAXES						
15	Demileter Met lesses - DEOINEO EEO		4 004 000	5 500 077		0.007.544	
16 H	Regulatory Net Income REGINFO E53	1	1,634,863	-5,562,377		-3,927,514	
	BOOK TO TAX ADJUSTMENTS						
	Additions:						
	Depreciation & Amortization	2	1,637,925	-85,753		1,552,172	
	Employee Benefit Plans - Accrued, Not Paid	3	827	62,341		63,168	
	Tax reserves - beginning of year	4		91,033		91,033	
	Reserves from financial statements - end of year	4		0		0	
	Regulatory Adjustments - increase in income	5		0		0	
	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 29	"Material Items from "TAXREC 2" worksheet Other Additions (not "Material") "TAXREC 2"	6		0		0	\dashv
	Items on which true-up does not apply "TAXREC 3"	0		3,575		3,575	
31	пользон миноп в ие-ир иоез посаррту ТАХКЕС 3			3,373		3,373	\dashv
	Deductions: Input positive numbers						
	Capital Cost Allowance and CEC	7	701,941	986,511		1,688,452	
34 E	Employee Benefit Plans - Paid Amounts	8	, in the second second	34,655		34,655	
35 I	tems Capitalized for Regulatory Purposes	9	0	0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0	0		0	
	nterest Expense Deemed/ Incurred	11	758,706	-35,317		723,389	
	Tax reserves - end of year	4		65,645		65,645	
	Reserves from financial statements - beginning of year	4		0		0	
	Contributions to deferred income plans Contributions to pension plans	3		0		0	
	Interest capitalized for accounting but deducted for tax	11		0		0	
	Other Deductions (See Tab entitled "TAXREC")	- ''		U U		U	
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		27,000		27,000	
47	Other Deductions (not "Material") "TAXREC 2"	12		0		0	
	tems on which true-up does not apply "TAXREC 3"			-5,524,710		-5,524,710	
49							
50	TAXABLE INCOME/ (LOSS)		1,812,968	(1,044,965)		768,003	
51 52 E	DI ENDED INCOME TAY DATE						
	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%	-28.1200%		12.50%	
54	Tab Tax Nates - Negulatory Ironi Table 1, Actual Ironi Table 3	13	40.0276	-20.120076		12.30 /6	
	REGULATORY INCOME TAX		736,428	-736,428	Actual	0	
56	**			30,120	, totali		\exists
57				<u> </u>			
	Miscellaneous Tax Credits	14		0	Actual	0	
59		1					
60	Total Regulatory Income Tax		736,428	-736,428	Actual	0	\Box
61							
62	III CARITAL TAVEC						
63 <u>I</u>	I) CAPITAL TAXES						\dashv
	Ontario			+			\dashv
	Base	15	139,931,166	7,383,968		147,315,134	\dashv
	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	4,998,841	-10,000		4,988,841	
	Taxable Capital	L	134,932,325	7,373,968		142,326,293	
69	·						
	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71	0.4.1.0.11.17		101			105	
72	Ontario Capital Tax	-	101,199	6,423		107,622	
73 74	Federal Large Corporations Tax						\dashv
	Base	18	139,931,166	7,522,725		147,453,891	\dashv
	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	0		10,000,000	\dashv
	Taxable Capital	1.5	129,931,166	7,522,725		137,453,891	\dashv
78	erp ee		-,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,,	\exists
	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%		0.2250%	
80	<u> </u>						
	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		73,086	4,867		77,953	
82 L	Less: Federal Surtax 1.12% x Taxable Income	21	20,305	-20,305		0	
		1	i l	1		1	
83		_					
83	Net LCT		52,781	25,172		77,953	

	A	В	С	D	E	F	G	Н
1	PILs TAXES - EB-2010-	ITEM	Initial		M of F	M of F	Tax	•
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5	0						Version 2009.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.							
	Reporting period: 2001							
9	Dave in reporting period.	92	daya				Column	
	Days in reporting period: Total days in the calendar year:	365	days days				Brought From	
11	Total days III the calendar year.	303	uays				TAXREC	
12			\$		\$		\$	
13			Ψ		Ψ		Ψ	
	III) INCLUSION IN RATES							
87	<u>,</u>							
	Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89								
	Income Tax (proxy tax is grossed-up)	22	1,217,236			Actual 2001	0	
	LCT (proxy tax is grossed-up)	23	87,241			Actual 2001	77,953	
	Ontario Capital Tax (no gross-up since it is deductible)	24	101,199			Actual 2001	107,622	
93								
94								
	Total PILs for Rate Adjustment MUST AGREE WITH 2001	25	1,405,677			Actual 2001	185,575	
96	RAM DECISION						1	
97								
98	IVV ELITTIDE TOLIETIDS						+	
	IV a) Calculation of the True up Variance				DR/(CR)		+	
	IV a) Calculation of the True-up Variance				טה/(טא)		+	
	In Additions: Employee Benefit Plans - Accrued, Not Paid	2			00.044		+	
	Employee Benefit Plans - Accrued, Not Paid Tax reserves deducted in prior year	3			62,341 91,033		+	
	Reserves from financial statements-end of year	4			91,033			
	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			0			
	In Deductions - positive numbers				-			
109	Employee Benefit Plans - Paid Amounts	8			34,655			
	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell E206)	11			0			
	Tax reserves claimed in current year	4			65,645			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans	3			0			
	Contributions to pension plans Other deductions "Material" Items TAXREC	3			0			
	Other deductions "Material" Item TAXREC 2	12			0 27 000			
119	Other deductions "Material" Item TAXREC 2	12			27,000			
	Total TRUE-UPS before tax effect	26		_	26,074			
121	Total TNOE Of a baloic tax circu	20		=	20,074			
	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			х	40.62%			
123								
124	Income Tax Effect on True-up adjustments			=	10,591			
125	• •							
	Less: Miscellaneous Tax Credits	14			0			
127								
	Total Income Tax on True-ups				10,591			
129	Income Tou Date would for any and the second for any				60.70		+	
	Income Tax Rate used for gross-up (exclude surtax)				39.50%		+ +	
131	TRUE-UP VARIANCE ADJUSTMENT				17,506		+	
133	THE ST TAINING ADVOCIMENT				17,500			
	IV b) Calculation of the Deferral Account Variance caused by							
	changes in legislation							
134	g						+	
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
	estimate column)			=	1,812,968			
137					.,512,000		+	
	REVISED CORPORATE INCOME TAX RATE			Х	40.62%		1	
139								
140	REVISED REGULATORY INCOME TAX			=	736,428			
141								
	Less: Revised Miscellaneous Tax Credits			-	0			
143							1	
	Total Revised Regulatory Income Tax			=	736,428			
145	Loops Dogulatory Income Tay reported in the Initial Entire to Calif. (C. 9)						+	
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell				736,428			
146	C60)			-	7 30,428		+	
	Regulatory Income Tax Variance			=	0			
149	rogulatory income ran variance			-	U			
	Ontario Capital Tax						+	
	Base			=	139,931,166		1	
	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	4,998,841			
	Revised deemed taxable capital			=	134,932,325			

	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2010-	ITEM	Initial		M of F	M of F	Tax	\vdash
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5	0						Version 2009.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.							
	Reporting period: 2001							
8							Column	
	Days in reporting period:	92	days				Brought	
_	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	igwdown
13								-
154	Data Tab Tau Datas sall 054			+	0.00000/			
	Rate - Tab Tax Rates cell C54			Х	0.3000%			
156					101 100			
157	Revised Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell			=	101,199			-
150	C72)			_	101,199			
	Regulatory Ontario Capital Tax Variance			=	0			+
160		-		┼	U			\vdash
	Federal LCT							\vdash
	Base			+	139,931,166			+
	Less: Exemption from tab Tax Rates, Table 2, cell C40	1		+	10,000,000			\vdash
164	Revised Federal LCT			=	129,931,166			+1
165				Ħ	.20,001,100			\vdash
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			1	0.2250%			
167	1 (1 1 1 1 1 1 1							\Box
_	Gross Amount				73,687			
_	Less: Federal surtax			-	20,305			
	Revised Net LCT			=	53,382			
171					·			
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	52,781			
173	Regulatory Federal LCT Variance			=	601			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%			
176								
	Income Tax (grossed-up)			+	0			
	LCT (grossed-up)			+	993			
	Ontario Capital Tax			+	0			
180								
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	993			
182					47.500			-
	TRUE-UP VARIANCE (from cell I132)			+	17,506			
184								+
	Total Deferral Account Entry (Positive Entry = Debit)			=	18,499			
	(Deferral Account Variance + True-up Variance)							
187								-
188								\vdash
189								
	V) INTEREST PORTION OF TRUE-UP			+				\vdash
	Variance Caused By Phase-in of Deemed Debt			\vdash				+
192		<u> </u>		-	E 007.050			├
	Total deemed interest (REGINFO)				5,387,350			\vdash
	Interest phased-in (Cell C37)			+	758,706			\vdash
195	Variance due to phase-in of debt component of MARR in rates			+	4,628,644			\vdash
196	'				4,028,044			\vdash
197								\vdash
	Other Interest Variances (i.e. Borrowing Levels							\vdash
	Above Deemed Debt per Rate Handbook)							\vdash
	Interest deducted on MoF filing (Cell G37+G42)			\vdash	723,389			\vdash
	Total deemed interest (REGINFO CELL D62)	1		+	5,387,350			\vdash
203					3,001,000			\vdash
	Variance caused by excess debt				0			\vdash
205								\vdash
	Interest Adjustment for Tax Purposes (carry forward to Cell E112)				0			\Box
207								\vdash
_	Total Interest Variance	1			4,628,644			
209								\Box
210								
211								
	•	•	•		L		•	

1	Λ	В				
	A PILs TAXES - EB-2010-	LINE	C M of F	D Non-wires	E Wires-only	F
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
	Section A: Identification:					
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2001 Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		92	days		
12			-	,.		
13	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
	Does the utility carry on non-wires related operation? (Please complete the questionnaire in the Background questionnaire in	Y/N	oot \			
19	(Flease complete the questionnaire in the Background questionnaire t	WOLKSII	eei.)			
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used.					
	If required please change the descriptions except for amortization, interest	expens	e and provision for i	ncome tax		
26	Diago anter the non-wire energtion's amount as a neeth is number the	ogram -	utomatically tract-	all amounts		
28	Please enter the non-wire operation's amount as a positive number, the pro- in the "non-wires elimination column" as negative values in TAXREC and T			ui aiiiouliis		
29	in the field willow cintilliant column as hegalive values in TAXINEC dilu I	TAINL	·-·			
	Income:					
31	Energy Sales	+	30,588,359		30,588,359	
32	Distribution Revenue	+	4,803,654		4,803,654	
33	Other Income	+	313,376		313,376	
34	Miscellaneous income	+	158,058		158,058	
35		+			0	
	Revenue should be entered above this line					
37	Costs and Expenses:					
39	Cost of energy purchased	-	36,220,691		36,220,691	
40	Administration	-	456,399		456,399	
41	Customer billing and collecting	-	338,937		338,937	
42	Operations and maintenance	-	1,195,743		1,195,743	
43	Amortization	-	1,552,172		1,552,172	
44	Ontario Capital & Property Taxes	-	0		0	
45	Interest Not Subject to Clawback	-	27,019		27,019	
46 47		-			0	
48					0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-3,927,514	0	-3,927,514	
51	Less: Interest expense for accounting purposes	-	723,389		723,389	
52	Provision for payments in lieu of income taxes	-	227,092		227,092	
53	Net Income (loss)	=	-4,877,995	0	-4,877,995	
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	por inhamolal statements on sofiedule i of the tax return.)					
	Section C: Reconciliation of accounting income to taxable income					
	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	227,092	0	227,092	
	Federal large corporation tax	+	4 550 455	_	0	
	Depreciation & Amortization	+	1,552,172	0		
	Employee benefit plans-accrued, not paid Tax reserves - beginning of year - bad debts	+	63,168 91,033	0		
	Reserves from financial statements- end of year	+	91,033			
	Regulatory adjustments on which true-up may apply (see A66)	+		0	0	
	inegulatory adjustifierts of willor true-up may apply (see A00)		3,575	0	3,575	
65					0	
65 66	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2	+	0	0	U	
65 66 67	Items on which true-up does not apply "TAXREC 3"	+	0			
65 66 67 68 69	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2		0	0	0	
65 66 67 68 69 70	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2				0	
65 66 67 68 69 70 71	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal		0	0	0	
65 66 67 68 69 70 71 72	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions)	+	0	0	1,937,040	
65 66 67 68 69 70 71 72 73	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA	+	0	0	1,937,040	
65 66 67 68 69 70 71 72 73	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + +	0	0	0 1,937,040 0 0	
65 66 67 68 69 70 71 72 73	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA	+	0	0	1,937,040	
65 66 67 68 69 70 71 72 73 74 75	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + + +	0	0	0 1,937,040 0 0 0	
65 66 67 68 69 70 71 72 73 74 75 76 77	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + + + + +	0	0	0 1,937,040 0 0 0 0 0 0	
65 66 67 68 69 70 71 72 73 74 75 76 77 78	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Donations	+ + + + + + + + + +	1,937,040	0	0 1,937,040 0 0 0 0 0 0 0	
65 66 67 68 69 70 71 72 73 74 75 76 77 78 79	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + + + + + + +	0	0	0 1,937,040 0 0 0 0 0 0 0	
65 66 67 68 69 70 71 72 73 74 75 76 77 78	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Donations	+ + + + + + + + + +	1,937,040	0	0 1,937,040 0 0 0 0 0 0 0	

	A	В	С	D	Е	F
1	PILs TAXES - EB-2010-	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
	Recap Material Additions:					
85			0	0	0	
86 87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
	Total Other Additions		0	0	0	
95						
	BOOK TO TAX DEDUCTIONS:		4 000 450		4 000 450	
	Capital cost allowance Cumulative eligible capital deduction	-	1,688,452 0		1,688,452	
	Employee benefit plans-paid amounts	-	34,655		34.655	
	Items capitalized for regulatory purposes	-	34,033		04,000	
	Regulatory adjustments :	_			0	
102		-			0	
103	other deductions	-			0	
104	Tax reserves - end of year - bad debts	-	65,645	0	65,645	
	Reserves from financial statements- beginning of year	-	0	0	0	
	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		-5,524,710	0	-5,524,710	
	Interest capitalized for accounting deducted for tax	-	0		0	
	Material deduction items from TAXREC 2	-	27,000	0	27,000	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
113	Subtotal	=	-3,708,958	0	-3,708,958	
	Other deductions (Please explain the nature of the deductions)	_	-3,700,930	U	-3,700,930	
	Charitable donations - tax basis	-			0	
	Gain on disposal of assets	-			0	
117	,	-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121	T t I D . I . d				0.700.070	
122 123	Total Deductions	=	-3,708,958	0	-3,708,958	
	Recap Material Deductions:					
125	Necap Material Deductions.		0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions less than materiality level		0	0	0	
	Total Other Deductions		0	0	0	
133	TAXABLE INCOME	_	768,003	0	768,003	
	DEDUCT:	=	100,003	U	100,003	
	Non-capital loss applied positive number	-			0	
	Net capital loss applied positive number	-			0	
138	Lance and the second se				0	
	NET TAXABLE INCOME	=	768,003	0	768,003	
140						
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	0		0	
	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
	Subtotal	=	0	0	0	
	Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	- =	0	0	0	
147	TOTAL INCOME TAX	-	U	0	U	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		12.50%		12.50%	
152						
	Section F: Income and Capital Taxes					
154	DECAR FROM AROVE					
	RECAP FROM ABOVE:					
	Total Income Taxes Ontario Capital Tax	+	0 107,622	0	0 107,622	
10/	Ontario Capitai Tax Federal Large Corporations Tax	+	77,953		77,953	
			11,555		11,500	
	r ederal Large Corporations Tax		,			
158	Total income and capital taxes	=	185,575	0	185,575	

	A	В	С	D	E	F
1	PILs TAXES - EB-2010-	LINE	M of F	Non-wires	Wires-only	
		LINE				
	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: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					-
13	gg				0	
	Reserve for doubtful accounts ss. 20(1)(l)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	-
	Other - Please describe Other - Please describe				0	
	Outer - Ficase ucsolide					
20					0	
21	Total / same famous and to the TAVDEO				0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
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	Total (sairy forward to the 1700000 workshoot)				- U	
37						
-	FINANCIAL STATEMENT RESERVES					
39	I INANCIAL STATEMENT RESERVES					-
	Beginning of Year:					
	beginning of Year:				0	
41					0	
42	Facility and satell				0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:			·		
53					0	
54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
61	Outer - Licase describe				0	
	Inpart line chave this line				U	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

Pills TAXES - E8-2010-		A	В	С	D	E	F
Tax Return Tax T	1			Ŭ	, , ,	-	
Tax Composite Composite	2	PILs TAXES - EB-2010-	LINE	M of F	Non-wires	Wires-only	
StartBeVerRo ONLY Shareholder-only Items should be shown on TAXREC 3 Version 2009.1	3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations		
Separating periods				Tax		Return	
				Return			
Builty Name: Kitchener-Wilnot Hydro Ine.		Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
Reporting periods: 2001 10 10 10 10 10 10 10		THE ALL THE ALL THE					
10 Number of days in taxation years: 92 92 93 94 94 94 94 94 94 94							
11 Marchality Level:				02			
12							
13		materiality Level.		O.			
143 Section C; Reconciliation of accounting income to taxable income							
16 Add:							
17	15	Section C: Reconciliation of accounting income to taxable income					
18 Gain on sale of eligible capital property +		Add:					
19 Income							
20 Chartable donations (Only if it benefits ratepayers)							
21 Taxable capital gains							
22 Scientific research expenditures deducted							
23 Scientific research expenditures deducted +		i anabie capitai yailis					
24 per financial statements		Scientific research expenditures deducted					
25 Capitalized interest		per financial statements	_				
26 Soft costs on construction and renovation of buildings	25	Capitalized interest				0	
28 Debt issue expense +	26	Soft costs on construction and renovation of buildings	+				
29 Financing fees deducted in books							
30 Gain on settlement of debt	28	Debt issue expense					
31 Interest paid on income debentures							
32 Recapture of SR&ED expenditures			_				
33 Share issue expense							
34 Write down of capital property							
35 Amounts received in respect of qualifying environment trust							
1							
1						0	
39	37		+			0	
According to the Additions: (please explain in detail the nature of the item)			+				
Hegulatory Assets			_				
42						-	
44		Regulatory Assets					
445 + 0 0 46 Total Additions = 0 0 0 47 Recap of Material Additions: 0 0 0 0 0 50 0			_				
45	_		_			_	
46 Total Additions = 0 0 0 47 48 Recap of Material Additions: 0 0 0 0 59 0<	45					J	
48 Recap of Material Additions: 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		Total Additions	=	0	0	0	
49 Regulatory assets 0 0 0 50 0 0 0 51 0 0 0 52 0 0 0 53 0 0 0 0 54 0 0 0 0 55 0 0 0 0 0 57 0 0 0 0 0 0 59 0							
50 0							
51 0 0 0 52 0 0 0 53 0 0 0 54 0 0 0 55 0 0 0 0 56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 59 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 67 0 0 0 0 70 0 0 0 0 70 0 0 0 0 72 0 0 0 0		Regulatory assets					
52 0 0 0 0 53 0 0 0 0 54 0 0 0 0 55 0 0 0 0 56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 69 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 67 0 0 0 0 68 0 0 0 0 69 0 0 0 0 0 70 0 0 0 0 0 <				_			
53 0 0 0 0 54 0 0 0 0 55 0 0 0 0 56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 59 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 67 0 0 0 0 70 0 0 0 0 71 0 0 0 0 72 0 0 0 0 73 0 0 0 0	52						
54 0 0 0 55 0 0 0 0 56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 59 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 68 0 0 0 0 69 0 0 0 0 71 0 0 0 0 72 0 0 0 0 73 0 0 0 0				_			
55 0 0 0 0 56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 68 0 0 0 0 69 0 0 0 0 70 0 0 0 0 71 0 0 0 0 72 0 0 0 0 73 0 0 0 0	54			_			
56 0 0 0 0 57 0 0 0 0 58 0 0 0 0 59 0 0 0 0 60 0 0 0 0 61 0 0 0 0 62 0 0 0 0 63 0 0 0 0 64 0 0 0 0 65 0 0 0 0 66 0 0 0 0 67 0 0 0 0 68 0 0 0 0 69 0 0 0 0 70 0 0 0 0 72 0 0 0 0 73 0 0 0 0	55						
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	56						
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	57						
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							
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							
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							
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				_			
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							
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	64						
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	65						
68 0 0 0 69 0 0 0 70 0 0 0 71 0 0 0 72 0 0 0 73 0 0 0							
69 0 0 0 70 0 0 0 71 0 0 0 72 0 0 0 73 0 0 0							
70 0 0 0 71 0 0 0 72 0 0 0 73 0 0 0				_			
71 0 0 0 72 0 0 0 73 0 0 0							
72 0 0 0 0 73 0 0 0							
73 0 0 0	72						
74 0 0 0							
	74			_			

77 Total Material additions 0 0 0 0 0 0 0 0 0 0 0		A	В	С	D	Е	F
3 TAX RETURN RECONCILIATION (TAKRE 2)							
4 (to * wires-only* business - see s. 72 OEB Act) Tax Return			LINE				
Sareholder-onlytems should be shown on TAXREC 3 Version 2009.1	3	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations		
Separate Separate						Return	
				Return		Version 2000 4	
Builty Name: Kitchener-Wilmot Hydro Inc. 9 10 10 10 10 10 10 10		Shareholder-only items should be shown on TAXREC 3				version 2009.1	
Separation period: 2001 92 92 93 94 94 95 95 95 95 95 95		Htility Name: Kitchener-Wilmet Hydre Inc					
10 Number of days in taxation year: 92 92 12 12 13 14 15 15 15 15 15 15 15							
11 Marefality Level:	10	Number of days in taxation year:		92			
12	11	Materiality Level:					
13		materiality 201011		· ·			
Total Tota							
Total Material additions				0	0	0	
The property of the property	76			0	0	0	
The property of the property		Total Material additions					
78 Total Additions				0	0	0	
81 Deduct:				0	0	0	
22,000 27,000 27,000 27,000 27,000 28 3 3 3 3 3 3 3 3 3	80						
Sa Dividends not taxable under section 83 -							
Bate Ferminal loss from Schedule 8 -			-	27,000		27,000	
SS Depreciation in inventory, end of prior year -			-				
Section Sect			-				
87 Bad debts	85	Depreciation in inventory, end of prior year	-				
Section Sect			-				
Section Sect			-				
Outributions to a qualifying environment trust			-				
Other income from financial statements							
92							
93 -		Other income from financial statements				0	
94 95 Other deductions: (Please explain in detail the nature of the item) -			-			0	
Other deductions: (Please explain in detail the nature of the item) -							
10		Other deductions: (Please explain in detail the nature of the item)	-				
97 10 0 0 0 0 0 0 0 0	96	Other deductions. (Flease explain in detail the flature of the item)	-				
10							
Total Deductions			-				
100		Total Deductions	=	27.000	0		
102 Gain on disposal of assets per f/s 27,000 0 27,000 103 0 0 0 104 0 0 0 105 0 0 0 106 0 0 0 107 0 0 0 108 0 0 0 109 0 0 0 110 0 0 0 111 0 0 0 112 0 0 0 113 0 0 0 114 0 0 0 115 0 0 0 116 0 0 0 117 10 10 10 118 0 0 0 119 Total Deductions exceed materiality level 27,000 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 27,000 0 27,000 121 Total Deductions 27,000 0 27,000	100			,	_	,	
103	101	Recap of Material Deductions:					
103	102	Gain on disposal of assets per f/s		27,000	0	27,000	
105	103				0		
106	104			0	0	0	
106	105						
108	106						
109							
110							
111	109						
112	110						
113							
114 0 0 0 0 115 0 0 0 0 0 116 0 0 0 0 0 0 117 0 0 0 0 0 0 118 0 0 0 0 0 0 119 Total Deductions exceed materiality level							
115							
116							
117							
118	117						
119 Total Deductions exceed materiality level 27,000 0 27,000 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 27,000 0 27,000	118						
120 Other deductions less than materiality level 0 0 121 Total Deductions 27,000 0		Total Deductions exceed materiality level					
121 Total Deductions 27,000 0 27,000							
	122			,		,	

	Δ	_ n	0		-	F
1	Α	В	С	D	Е	Г
	PILs TAXES - EB-2010-					
	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
			_	Eliminations	Tax	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0)	Return			
	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
	Reporting period: 2001					
	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property	+			0	
	Loss from joint ventures or partnerships	+			0	
	Deemed dividend income	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets	+			0	
	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+	0.505		0	
	Non-deductible meals	+	3,525		3,525	
	Non-deductible club dues	+			0	
	Non-deductible automobile costs	+	50		0	
	Donations - amount per books	+	50			
	Interest and penalties on unpaid taxes	+				
	Management bonuses unpaid after 180 days of year end	+				
39	Ontario Capital Tax per books	+			0	
	Changes in Regulatory Asset balances	+			0	
	Imputed interest expense on Regulatory Assets	+			0	
42	imputed interest expense on regulatory Assets	+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45	Odpital Contribution 3.12(1)(X)	+			0	
46		+				
47	Total Additions on which true-up does not apply	Ė	3,575	0	3,525	
48	Total / taditions on which trae up accorded apply		0,010		0,020	
	Deduct:					
50						
	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs	-			0	
	Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-			0	
	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario Capital Tax per tax return	-	107,622		107,622	
61		-			0	
62	Changes in Regulatory Asset balances	-	-5,632,332		-5,632,332	
63					0	
64		-			0	
65					0	
66		-			0	
67		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
	Capital contributions s.13(7.4) Election	-			0	
	Prospectus & underwriting fees				0	
	Income not earned on movement of Regulatory A/Cs				0	
	Deferred cost deductible (market ready)	-			0	
	Total Deductions on which true-up does not apply	=	-5,524,710	0	-5,524,710	
74						
75						

	A	В	С	D	E	F	G H	
	TAXES - EB-2010-					lavaian aaca	. 4	
•	orate Tax Rates options, Deductions, o	r Throch	olde		v	ersion 2009).1	
	y Name: Kitchener-Wil							
	rting period: 2001	ot riyu.	0 11101					
6	•							
7						Table 1		
	S Used in 2002 RAM PI	Ls Appli		001 Q4	F0 000		7	
9 Incor	ne Range		0 to		50,000 to	>175,000		
11 KAW	2002	Year	50,000		175,000	>173,000		
	ne Tax Rate		55,555		110,000		1	
	y Tax Year	2002					1	
14 Fede	ral (Includes surtax)		13.12%		28.12%	28.12%		
	Ontario blended		6.00%		6.00%	12.50%		
	nded rate		19.12%		34.12%	40.62%		
17			2 2222/					
	tal Tax Rate		0.300%				1	
19 LCT 1 20 Surta			0.225% 1.12%				4	
	rio Capital Tax	MAX					†	
21 Exem		\$5MM	4,998,841					
	ral Large						1	
Corp	orations Tax	MAX	10,000,000					
22 Exem	nption **	\$10MM						
**Ex	emption amounts	must aç	ree with th	he Boa	rd-appro	ved 2001		
	I PILs filing							
23	_							
24 25						Table 2		
	cted Income Tax Rates	s for 200	and Capita	I Tax Ex	emptions f			
	ne Range	10. 200	0	I IUX EX	50,000	0. 200.	i	
	cted Rates		to		to	>175,000		
29		Year	50,000		175,000			
	ne Tax Rate							
31 Curre		2001						
	ral (Includes surtax)	2001	13.12%		28.12%	28.12%		
33 Onta		2001	6.00%		6.00%	12.50%		
34 <i>Blei</i>	nded rate	2001	19.12%		34.12%	40.62%		
	tal Tax Rate	2001	0.300%				4	
37 LCT i		2001	0.300%				_	
38 Surta		2001	1.12%				1	
	rio Capital Tax	MAX					-	
	nption *** 2001	\$5MM	4,998,841					
	ral Large	MAX						
	orations Tax	\$10MM	10,000,000					
	nption *** 2001							
	llocation of exemp			-	the Board	i's		
42 inst	ructions regarding	regulat	ed activitie	es.				
43						Table 3		
	Information from Utili	ty's Actu	al 2001 Tax	Returns			-	
45 Incor	ne Range		0		50,000			
46		V	to		to	>175,000		
47 Incor	no Toy Doto	Year	50,000		175,000		4	
49 Curre	ne Tax Rate	2001					1	
	ral (Includes surtax)	2001	13.12%		22.12%	28.12%	1	
			6.00%		9.75%	12.50%	1	
51 Onta	nded rate		19.12%		31.87%	40.62%	1	
52 Ble i			0.0000/					
52 <i>Blei</i> 53 Capit	al Tax Rate		0.300%					
52 <i>Blei</i> 53 54 Capit 55 LCT i	tal Tax Rate rate		0.225%					
52 <i>Blei</i> 53 54 Capit 55 LCT 1 56 Surta	tal Tax Rate rate ix							
52 <i>Blei</i> 53 54 Capit 55 LCT 56 Surta Onta	tal Tax Rate rate ix rio Capital Tax	MAX	0.225% 1.12%					
52 Blei 53 54 Capit 55 LCT 56 Surta Onta 57 Exem	tal Tax Rate rate ax rio Capital Tax nption *	MAX \$5MM	0.225%				_	
52 Blei 53 54 Capit 55 LCT i 56 Surta 57 Exem Fede	tal Tax Rate rate ax rio Capital Tax aption * ral Large		0.225% 1.12% 4,988,841				_	
52 Blei 53 54 Capit 55 LCT i 56 Surta 57 Exem Fede Corp	tal Tax Rate rate ax rio Capital Tax aption * ral Large orations Tax	\$5MM	0.225% 1.12%					
52 Bler 53 54 Capit 55 LCT 1 56 Surta Onta 57 Exem Fede Corp 58 Exem	tal Tax Rate rate ax rio Capital Tax aption * ral Large orations Tax aption *	\$5MM MAX \$10MM	0.225% 1.12% 4,988,841	allacat	ion esta	lotions in		
52 Bler 53 54 Capit 55 LCT 56 Surta 0nta 57 Exem Fede Corp 58 Exem 59 * Inc	tal Tax Rate rate ax rio Capital Tax aption * ral Large orations Tax aption * clude copies of the	\$5MM MAX \$10MM actual 1	0.225% 1.12% 4,988,841 0					
52	tal Tax Rate rate ax rio Capital Tax aption * ral Large orations Tax aption *	\$5MM MAX \$10MM actual 1	0.225% 1.12% 4,988,841 0					

	A	В	С	D	Е	F	G	Η		J	K	L	М	N	0
1	PILs TAXES - EB-2010-														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Kitchener-Wilmo	t Hyd	ro Inc.												Version 2009.1
4	Reporting period: 2001				Sign Convention	on: 4	for increase;	· for	decrease						0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
_	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	-	0		1,413,944		1,413,944		1,413,944		1,413,944		1,413,944		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		1,405,677						0		0		0		1,405,677
	PILs proxy from April 1, 2005														
13	- input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)														0
	True-up Variance	+/-													
15	Adjustment (3)														0
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
17	Adjustment (5)														0
	Adjustments to reported	+/-													
18	prior years' variances (6)														0
	Carrying charges (7)	+/-	8,267												8,267
	PILs billed to (collected	-	, -												,
20	from) customers (8)		0												0
21															
22	Ending balance: # 1562		1,413,944		1,413,944		1,413,944		1,413,944		1,413,944		1,413,944		1,413,944
23]											,			

26 Uncollected PILs

24

40

42

43 44

63

64

65

67

68

70

77

28 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. 29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- 33 (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 34 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 35 If the Board gave more than one decision in the year, calculate a weighted average proxy. 36
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
- (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy. 37
- 38 (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained. 39
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
 - (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 49 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. 52 53 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 54 (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- 56 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 59 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. 61 62 The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM. sheet 4. for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 74 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes 75 will have to include amounts from 1562 and from 1590. 76

	٨	В		D	Е
\perp	A A	В	С	D	E
	PILs TAXES - EB-2008-381				Version 2009.1
	REGULATORY INFORMATION (REGINFO)				
	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
	Total days in the calendar year:	365	days		
8					
_	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Υ	
10	Was the office as a set of a series of book and a series of books are a series of books and a series of books and a series of books				
	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N		
			T/IN		
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Υ	
	shared among the corporate group?	LCT	Y/N	N	
	Please identify the % used to allocate the OCT and LCT exemptions in		1/11	99.78%	
		OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
	Accounting Year End		Doto	12-31-2002	
20	Accounting real Enu		Date	12-31-2002	
26	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA				Income
	(FROM 1999 FINANCIAL STATEMENTS)				moome
	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			139,931,166	
33	Common Equity Ratio (CER)			45.00%	
33	Common Equity Natio (CEN)			45.00 /6	
35	1-CER			55.00%	
50					
37	Target Return On Equity			9.88%	
39	Debt rate			7.00%	
70					
41	Market Adjusted Revenue Requirement			11,608,690	
42		4,587,898			
43	1999 return from RUD Sheet #7	(388,709)		4,199,189	4,199,189
77		(000,100)			1,100,100
	Total Incremental revenue			7,409,501	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001	2,340,264		2,340,264	2,340,264
48	Amount allowed in 2002	388,709		2,728,973	
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210	223,.00			1, 20,010
50	unless authorized by the Minister and the Board)				0
					0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				9,268,426
55					
	Equity			62,969,025	
57	- 1A			02,000,020	
	Return at target ROE			6,221,340	
	Netum at larget NOL			0,221,340	
59					
	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR		· <u> </u>	5,387,350	
63					
	Phase-in of interest - Year 1 (2001)			3,034,823	
65	((D43+D47)/D41)*D61			3,001,020	
	Phase-in of interest - Year 2 (2002)			4 204 202	
				4,301,283	
67	((D43+D47+D48)/D41)*D61			,	
	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			5,387,350	
71					
72					
				1	i .

Files Part		A	В	С	D	Е	F	G H
Part Description Part	1				U			
TAX ACACUATONIS (TAXACIC)			1121					
Comparison No.				Lotimato		J		rtotumo
Description								
Second Comparison		,					<u> </u>	Version 2009.1
Temperature		-						7 0.0.0.1 2000.1
Days in reporting period: 100								
30								Column
10 Total days in the calendar year:	9	Days in reporting period:	365	days				
11 S			365					
10				,				
13 15 15 15 15 15 15 15				\$		\$		
Tell DOCROPORTAL INCOME TAXES				·		Ť		,
18 Regulatory Net Income REGINFO ESS		I) CORPORATE INCOME TAXES						
1		1) OOK OKKIE INOOME 17IXEO						
BOOK TO TAX ADUISTMENTS		Regulatory Net Income REGINEO E53	1	9 268 426		1 397 442		10 665 868
18 BOOK TO TAK ADAUSTRENTS		riogulatory from moomo frazonin o 200	·	0,200,120		1,001,112		10,000,000
The Additionals		BOOK TO TAX ADJUSTMENTS						
20 Depreciation & Amortization 2 6.691.699 1.161.731 7.715.430 22.2820 22.2827 22.2820 22.2827								
2			2	6 551 699		1 161 731		7 713 430
22 Tax reserves - beginning of year								
22 Regulatory Augustments - increase in nacrome				0,007				0
28	_							0
25 Other Additions (See Tab entitled "TAXREC") 6 0 0 0 0 0 0 0 0 0								0
25			J			U		U
27 Other Additions (not "Material") "TAXREC" 6			6			0		0
29 Other Addition (not Material) "TAXREC 2" outsheet 6								
28 Other Additions (not "Material") "TAXREC 2" 6 0 2,543,559						ŭ		U
100 2.543.529 2.543.529 2.543.529 2.543.529 3.15 3.						219,901		219,901
32 Deductions: Input positive numbers 7 5.545.625 1.723.503 7.286,128 33 Capital Cost Allowance and CEC 7 5.545.625 1.723.503 7.286,128 34 Employee Benefit Plans - Paid Amounts 8 0 0 0 0 0 0 0 0 0			Ö			2.542.500		2.542.520
32 Deductions: Imput positive numbers		items on which true-up does not apply "TAXREC 3"				2,543,529		2,543,529
33 Capital Cost Allowance and CEC								
34 Employee Benefit Plans - Paid Amounts								
State Stat				5,545,625				7,269,128
36 Regulatory Adjustments - deduction for tax purposes in Item 5								0
11				0				0
38 Tax reserves - end of year 4								
39 Reserves from financial statements - beginning of year 4 0 0 0 0 0 0 0 0 0	37	Interest Expense Deemed/ Incurred	11	4,301,283		-619,679		3,681,603
40 Contributions to deferred income plans 3						0		0
1 Contributions to pension plans 3 0 0 0 0 0 0 0 0 0	39	Reserves from financial statements - beginning of year	4			0		0
42 Interest capitalized for accounting but deducted for tax 11 0 0 0 0 0 0 0 0	40	Contributions to deferred income plans	3			0		0
43 Other Deductions (See Tab entitled TAXREC')	41	Contributions to pension plans	3			0		0
Material' Items from "TAXREC" worksheet 12	42	Interest capitalized for accounting but deducted for tax	11			0		0
45 Other Deductions (not "Material") "TAXREC" 12	43	Other Deductions (See Tab entitled "TAXREC")						
45 Other Deductions (not "Material") "TAXREC" 12	44	"Material" Items from "TAXREC" worksheet	12			80,491		80,491
A	45		12			0		0
A	46	Material Items from "TAXREC 2" worksheet	12			231,230		231,230
Age	47	Other Deductions (not "Material") "TAXREC 2"	12			0		0
Age	48	Items on which true-up does not apply "TAXREC 3"				464,087		464,087
So TaxABLE INCOME / (LOSS) 5,976,525 3,672,670 Before loss C/F 9,649,095						·		
S2 BLENDED INCOME TAX RATE		TAYARI E INCOME/ (LOSS)		5 976 525		3 672 570	Refore loss C/F	9 649 095
EE BLENDED INCOME TAX RATE		1700 DEE 1100 ME7 (EGGO)		0,570,525		0,072,070	Belore 1033 6/1	3,043,033
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 13 38.62% 0.0000% 38.62% 54 55 REGULATORY INCOME TAX 2,308,134 -263,481 Actual 2,044,653 56 57		BLENDED INCOME TAX RATE						
Standard			13	38 62%		0.0000%		38 62%
SECULATORY INCOME TAX		Tab Tax Nates - Negulatory Ironi Table 1, Actual Ironi Table 5	10	30.02 /6		0.000078		30.02 /0
Section Sect		RECLU ATORY INCOME TAY		2 308 134		-263 /81	Actual	2 044 653
S7 S8 Miscellaneous Tax Credits 14 0 0 Actual 0 0 0 0 0 0 0 0 0		REGODATORI INCOME IAM		2,000,104		-200,401	Actual	2,044,000
Section Sect								
Total Regulatory Income Tax 2,308,134 -263,481 Actual 2,044,653	_	Miscellaneous Tay Credits	1/			0	Actual	0
Column		IVIIOGGIIGI IGOUS TAX OTGUIIS	14			U	Actual	U
61 62 63 IJ) CAPITAL TAXES 64 65 Ontario 66 Base 15 139,931,166 18,653,611 158,584,777 67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 5,000,000 -10,969 4,989,031 68 Taxable Capital 134,931,166 18,642,642 153,595,746 69 70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.0000% 0.3000% 71 72 Ontario Capital Tax 404,793 55,994 460,787 73 74 Federal Large Corporations Tax 75 Base 18 139,931,166 17,987,730 157,918,896 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 0 10,000,000 77 Taxable Capital 19 10,000,000 0 0 10,000,000 17 Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 0 10,000,000 17 Taxable Capital 19 129,931,166 17,987,730 147,918,896 78 129,9		Total Pogulatory Income Tax		2 200 124		262 404	Actual	2 044 652
63 II) CAPITAL TAXES 64 65 Ontario 66 Base 67 Taxable Capital 70 Capital Tax 71 Taxable Capital Tax 72 Ontario Capital Tax 73 Taxable Capital Tax 74 Federal Large Corporations Tax 75 Base 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 78 Base 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 70 Capital Tax 71 Taxable Capital Tax 72 Ontario Capital Tax 73 Taxable Capital Tax 74 Federal Large Corporations Tax 75 Base 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 78 Taxable Capital 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 80 Capital 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 82 Less: Federal Surtax 1.12% x Taxable Income 82 Tax Rates - Regulatory, Taxable Income 83 Capital Capital Capital Rate) 84 Capital Capital Rate Capital x Rate) 85 Capital Capital Rate Capital x Rate Capit		rotal Negulatory income Tax		2,308,134		-203,481	Actual	2,044,003
63 CAPITAL TAXES								
64		II) CADITAL TAYES						
65 Ontario 15 139,931,166 18,653,611 158,584,777 67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 5,000,000 -10,969 4,989,031 68 Taxable Capital 134,931,166 18,642,642 153,595,746 69 170 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.0000% 0.3000% 71 Taxable Capital Tax 404,793 55,994 460,787 73 Taxable Capital Tax 18 139,931,166 17,987,730 157,918,896 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 10,000,000 77 Taxable Capital 129,931,166 17,987,730 147,918,896 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% 0.0000% 0.2250% 80 B1 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757		III ONI ITAL TAKES						H
15		Ontario						
Contact Cont			15	120 024 400		10.650.644		150 504 777
Taxable Capital 134,931,166 18,642,642 153,595,746								
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3			מו					
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17		талаыс ∪аµпат		134,931,166		18,042,642		103,090,746
T1 T2 Ontario Capital Tax 404,793 55,994 460,787 T3 T4 Federal Large Corporations Tax T5 Base 18 139,931,166 17,987,730 157,918,896 T6 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 10,000,000 T7 Taxable Capital 129,931,166 17,987,730 147,918,896 T8 T5 T5 T5 T5 T5 T5 T5		Pate Tay Pates Pagulaton, Table 1, Astual Table 2	17	0.200000		0.00000		0.20000/
Total Capital Tax Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Total Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 Tota		male - Lax males - megulalory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%
Total Composition Tax Ta		Ontario Capital Tay		404 700		FF 004		460 707
74 Federal Large Corporations Tax 75 Base 18 139,931,166 17,987,730 157,918,896 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 10,000,000 77 Taxable Capital 129,931,166 17,987,730 147,918,896 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% 0.0000% 0.2250% 80 80 0 0.0000% 0.2250% 0.0000% 0.0000% 0.0000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83		Опкано Саркаг тах		404,793		55,994		400,787
T5 Base 18 139,931,166 17,987,730 157,918,896 16 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 10,000,000 10,000,000 77 Taxable Capital 129,931,166 17,987,730 147,918,896 78 147,918,896 147,918,896 147,918,896 147,918,896 147,918,896 147,918,896 147,918,896 147,918,896 147,918,896 147,918,996 147,		Fodoral Large Cornerations Toy						
To Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 0 10,000,000	_	<u> </u>	4.0	100 004 100		47.007.700		157.040.000
Taxable Capital 129,931,166 17,987,730 147,918,896 78						17,987,730		
78 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% 0.0000% 0.2250% 80 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83			19			47.007.700		
79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% 0.0000% 0.2250% 80 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83	_	гахаріе Сарітаі		129,931,166		17,987,730		147,918,896
80 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83		Poto Toy Potos Pogulator: Table 4: Astrol Table 9	20	0.005000		0.000001		0.00500/
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 40,472 332,818 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83		Kate - Tax Kates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%
82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 -8,180 58,757 83		Once Amount of LOT before 1 11 17 11 12 11 12 11 12		000.07		10.15		000.010
83			0.			,		
	_	Less: Federal Surtax 1.12% x Taxable Income	21	66,937		-8,180		58,757
84 Net LC1 225,408 48,652 274,061		N						
	84	Net LC I		225,408		48,652		274,061

	A	В	С	D	Е	F	G H
1	PILs TAXES - EB-2008-381	ITEM	Initial	_	M of F	M of F	Tax
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns
	TAX CALCULATIONS (TAXCALC)				Variance	Variance	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	
5	0					-	Version 2009.1
6	Utility Name: Kitchener-Wilmot Hydro Inc.						
	Reporting period: 2002						
8							Column
9	Days in reporting period:	365	days				Brought
10	Total days in the calendar year:	365	days				From
11							TAXREC
12			\$		\$		\$
13					·		
85							
	III) INCLUSION IN RATES						
87							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%				
89			0.10070				
	Income Tax (proxy tax is grossed-up)	22	3,693,014			Actual 2002	2,044,653
	LCT (proxy tax is grossed-up)	23	360,653			Actual 2002	274,061
92	Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2002	460,787
93	Than bearian tax (no greec up ember no academic)		10 1,7 00			Notaci 2002	100,101
94							
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	4,458,461			Actual 2002	2,779,501
96	RAM DECISION	20	7,700,401			Avtual 2002	2,113,301
96	KAW DECIDION						
			I I				
98	IV/ ELITURE TRUE URS						+
	IV o Coloulation of the True up Veriance				DD#CD)		+
	IV a) Calculation of the True-up Variance				DR/(CR)		
	In Additions:						
	Employee Benefit Plans - Accrued, Not Paid	3			229,520		
	Tax reserves deducted in prior year	4			0		
	Reserves from financial statements-end of year	4			0		
105	Regulatory Adjustments	5			0		
	Other additions "Material" Items TAXREC	6			0		
	Other additions "Material" Items TAXREC 2	6			219,981		
	In Deductions - positive numbers						
	Employee Benefit Plans - Paid Amounts	8			0		
	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		
	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			80,491		
118	Other deductions "Material" Item TAXREC 2	12			231,230		
119							
120	Total TRUE-UPS before tax effect	26		=	137,779		
121							
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			Х	38.62%		
123							
124	Income Tax Effect on True-up adjustments			=	53,210		
125							
126	Less: Miscellaneous Tax Credits	14			0		
127							
128	Total Income Tax on True-ups				53,210		
129							
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%		
131							
	TRUE-UP VARIANCE ADJUSTMENT				85,136		
133							
	IV b) Calculation of the Deferral Account Variance caused by						Π
134	changes in legislation						
135	-						
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial						
136	estimate column)			=	5,976,525		
137	/				2,2.0,020		
	REVISED CORPORATE INCOME TAX RATE			х	38.62%		
139					30.0270		
	REVISED REGULATORY INCOME TAX			=	2,308,134		
141					2,500,104		
	Less: Revised Miscellaneous Tax Credits			-	0		
143					O O		
	Total Revised Regulatory Income Tax			=	2,308,134		+
145	Total Novioca Negalatory Income Tax			-	2,000,104		+ +
1-1-3	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell						
146	C58)				2,308,134		
146	000)				2,500,134		
	Regulatory Income Tax Variance			=	0		
149	Trogulatory illoutile rax variance			-	U		
	Ontario Capital Tax						
	Base				120 024 460		
131	Duou	l	l .	=	139,931,166		

	A	В	С	D	Е	F	G H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax
	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns
	TAX CALCULATIONS (TAXCALC)				Variance	Variance	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	
5 6	0	1					Version 2009.1
	Utility Name: Kitchener-Wilmot Hydro Inc. Reporting period: 2002						
8	reporting period. 2002						Column
	Days in reporting period:	365	days				Brought
10	Total days in the calendar year:	365	days				From
11							TAXREC
12			\$	+ +	\$		\$
	Less: Exemption from tab Tax Rates, Table 2, cell C39			+ -	5,000,000		
	Revised deemed taxable capital			+ = 	134,931,166		
154	•				, ,		
	Rate - Tab Tax Rates cell C54			х	0.3000%		
156	Devised Outside Conital Toy				404 702		
157	Revised Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell			=	404,793		
158	C70)			-	404,793		
	Regulatory Ontario Capital Tax Variance			=	0		†
160							
	Federal LCT				100.001.10		1
	Base Less: Exemption from tab Tax Rates, Table 2, cell C40			+ - +	139,931,166 10.000.000		1
	Revised Federal LCT			-	129,931,166		
165	TOTIOGG T OGGIGI EOT				120,001,100		
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%		
167							
	Gross Amount				292,345		
	Less: Federal surtax Revised Net LCT			- =	66,937 225,408		
171	Revised Net LC I			=	225,400		
	Less: Federal LCT reported in the initial estimate column (Cell C82)			1 - 1	225,408		
173	Regulatory Federal LCT Variance			=	0		
174							
	Actual Income Tax Rate used for gross-up (exclude surtax)			_	37.50%		
176	Income Tax (grossed-up)			+	0		
	LCT (grossed-up)			+	0		
	Ontario Capital Tax			+	0		
180	•						
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0		
182	TOUE UD VADIANCE (from coll 1420)			+	85,136		
184	TRUE-UP VARIANCE (from cell l130)			+	05,130		
	Total Deferral Account Entry (Positive Entry = Debit)			1 = 1	85,136		
186	(Deferral Account Variance + True-up Variance)				55,155		
187							
188				1 1			
189	W INTEREST PORTION OF TRUE US			+			
	V) INTEREST PORTION OF TRUE-UP Variance Caused By Phase-in of Deemed Debt			+			1
192	TAILAITO OUUSOU DY I HUSE-III OI DEGINEU DEDL	1		+ +			
193	Total deemed interest (REGINFO)			1	5,387,350		<u> </u>
	Interest phased-in (Cell C36)				4,301,283		
195	Veriones due to phose in of debt comment of MADD in order			1 1	4.000.007		
196 197	Variance due to phase-in of debt component of MARR in rates according to the Board's decision			++	1,086,067		1
198	according to the board a decision			1 1			
	Other Interest Variances (i.e. Borrowing Levels			1			<u> </u>
	Above Deemed Debt per Rate Handbook)						
	Interest deducted on MoF filing (Cell K36+K41)			+	3,681,603		
202	Total deemed interest (REGINFO CELL D61)			+ +	5,387,350		1
	Variance caused by excess debt			+	0		+
205	Tananio oddood by onoodd dobi			1 1			+
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0		
207							
	Total Interest Variance			1 1	1,086,067		
209							
210 211							
112		1	1				1

4	A DII a TAYES ED 2009 294	B	C M of F	D Non wires	E Wires only	F
	PILs TAXES - EB-2008-381 TAX RETURN RECONCILIATION (TAXREC)	LINE	M of F	Non-wires	Wires-only	
	, ,		Corporate Tax	Eliminations	Tax Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return		Return	
5			Retuin		Version 2009.1	
	Section A: Identification:				VC131011 2003.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2002					
	Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12	· · · · · · · · · · · · · · · · · · ·					
13	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
	Does the utility carry on non-wires related operation?	Y/N				
	(Please complete the questionnaire in the Background questionnaire	worksh	eet.)			
19	Notes Committee and Misser and Date to Tab IITAVOALOU Column IV					
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21	Section B: Financial statements data:					
	Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used.					
	If required please change the descriptions except for amortization, interest	expens	e and provision for	income tax		
26	, approximation of the second	. , 51.10				
	Please enter the non-wire operation's amount as a positive number, the pr	ogram a	utomatically treats	all amounts		
	in the "non-wires elimination column" as negative values in TAXREC and T					
29			-	-		
	Income:					
31	Energy Sales	+	132,890,224		132,890,224	
32	Distribution Revenue	+	29,008,419		29,008,419	
33	Other Income	+	892,658		892,658	
34	Miscellaneous income	+	994,869		994,869	
35		+			0	
37	Revenue should be entered above this line					
	Costs and Expenses:					
39	Costs and Expenses. Cost of energy purchased	-	132,890,224		132,890,224	
40	Administration	-	2,118,200		2,118,200	
41	Customer billing and collecting	-	2,419,222		2,419,222	
42	Operations and maintenance	-	4,966,406		4,966,406	
43	Amortization	-	7,184,857		7,184,857	
44	Property & Ontario Capital Tax	-	980,218		980,218	
45	Regulatory Asset Impairment	-	2,526,968		2,526,968	
46	Interest expense not subject to clawback	-	34,207		34,207	
47		-			0	
48		-			0	
49						
	Net Income Before Interest & Income Taxes EBIT	=	10,665,868	0	, ,	
	Less: Interest expense for accounting purposes	-	3,681,603		3,681,603	
52	Provision for payments in lieu of income taxes Net Income (loss)	-	2,293,540	0	2,293,540	
	(The Net Income (loss) on the MoF column should equal to the net income (loss)	=	4,690,725	U	4,690,725	
	per financial statements on Schedule 1 of the tax return.)					
55	, , , , , , , , , , , , , , , , , , , ,					
	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	2,754,900	0	2,754,900	
	Federal large corporation tax	+			0	
	Depreciation & Amortization	+	7,713,430	0		
	Employee benefit plans-accrued, not paid	+	232,827	0		
	Tax reserves - beginning of year	+	0	0		
	Reserves from financial statements- end of year	+		0	0	
	Regulatory adjustments on which true-up may apply (see A66)	+	2,543,529	0	· ·	
	Items on which true-up does not apply "TAXREC 3"					
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	219,981 0	0		
68 69	Other addition items (not Material) from TAXREC 2	+	0	0	0	
70	Subtotal		13,464,667	0	13,464,667	
71	Guniolai		10,404,007	U	10,704,007	
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed	+			0	
	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
	Total Other Additions	=	0	0	0	
80						
80 81	T - 1 / 100				10 1	
80 81 82	Total Additions	=	13,464,667	0	13,464,667	
80 81 82 83	Total Additions Recap Material Additions:	=	13,464,667	0	13,464,667	

	A	В	С	D	Е	F
	PILS TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
4	(IOI WITES-OTHY DUSTITESS - SEE S. 72 OLD ACT))	Return		Return	
5	-				Version 2009.1	
85			0	0		
86 87			0	0		
88			0	0		
89			0	0	0	
90			0	0		
91	Total Other calculations and tailette lavel		0	0	0	
	Total Other additions >materiality level Other additions (less than materiality level)		0	0	0	
	Total Other Additions		0	0	0	
95						
	BOOK TO TAX DEDUCTIONS: Capital cost allowance	_	7.000.400		7 200 420	
	Capital cost allowance Cumulative eligible capital deduction	-	7,269,128		7,269,128 0	
	Employee benefit plans-paid amounts	-			0	
	Items capitalized for regulatory purposes	-			0	
	Regulatory adjustments : CCA	-			0	
102 103	other deductions	-			0	
	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-	464,087	0	0 464,087	
	Items on which true-up does not apply "TAXREC 3" Interest capitalized for accounting deducted for tax	_	464,087	0	464,087	
	Interest capitalized for accounting deducted for tax Material deduction items from TAXREC 2	-	231,230	0	231,230	
	Other deduction items (not Material) from TAXREC 2	-	0	0		
112						
113	Subtotal Others de districte (Please and leis the parties of the destructions)	=	7,964,445	0	7,964,445	
	Other deductions (Please explain the nature of the deductions) Charitable donations - tax basis	_			0	
	Gain on disposal of assets	-	80,491		80,491	
117	,	-			0	
118					0	
119 120	Total Other Deductions	-	80,491	0	0 80,491	
121	Total Other Deductions	=	60,491	<u> </u>	60,491	
122	Total Deductions	=	8,044,937	0	8,044,937	
123						
124 125	Recap Material Deductions:		0	0	0	
	Gain on disposal of assets		80,491	0	80,491	
127			0	0	0	
128			0	0	0	
129	Total Other Deductions exceed materiality level		0 404	0	0 80,491	
	Other Deductions less than materiality level		80,491	0		
	Total Other Deductions		80,491	0		
133						
	TAXABLE INCOME DEDUCT:	=	10,110,455	0	10,110,455	
	Non-capital loss applied positive number	-	4,864,331		4,864,331	
	Net capital loss applied positive number	-	.,501,501		0	
138					0	
139 140	NET TAXABLE INCOME	=	5,246,124	0	5,246,124	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	1,423,322		1,423,322	
143	Net Ontario Income Tax (Must agree with tax return)	+	621,331		621,331	
144		=	2,044,653	0	2,044,653	
	Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	=	2,044,653	0	2,044,653	
147	Total modific Tux	-	2,044,003	0	2,044,000	<u> </u>
148	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150 151	Net Ontario Income Tax Rate (Must agree with tax return) Blended Income Tax Rate		12.50% 38.62%	*****	12.50% 38.62%	
152	Biolised Illoome Tax Itale		30.02%		30.02%	
153	Section F: Income and Capital Taxes					
154	DECAR					
	RECAP Total Income Taxes	+	2,044,653	0	2,044,653	
	Ontario Capital Tax	+	460,787	U	460,787	
158	Federal Large Corporations Tax	+	274,061		274,061	
159						
160 161	Total income and capital taxes	=	2,779,501	0	2,779,501	
101						l

	A	В	С	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return		N	
5	0				Version 2009.1	
6	Hitlifa , Nome , Mitchen on Milmot I hadro ha					
	Utility Name: Kitchener-Wilmot Hydro Inc. Reporting period: 2002					
9	Reporting period. 2002					
	TAX RESERVES					
11						
	Beginning of Year:					
13					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m) Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Regulatory Asset Impairment				0	
	Other - Please describe				0	
20					0	
21					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
	End of Year:				0	
25	Reserve for doubtful accounts ss. 20(1)(l)				0	
	Reserve for goods & services ss.20(1)(n)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
	Insert line above this line		0		0	
36	Total (carry forward to the TAXREC worksheet)		0	0	0	
37						
	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
	End of Year:					
53 54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
58	Property taxes				0	
	Other - Please describe				0	
_	Other - Please describe				0	
61					0	
	Insert line above this line			^		
	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	В	С	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)	LIINE	Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	RATEPAYERS ONLY		Return			
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2002					
	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14	Section C. Beconciliation of accounting income to toyoble income					
	Section C: Reconciliation of accounting income to taxable income Add:					
17	Auu.	+			0	
18	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
21 22	Taxable capital gains	+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
	Financing fees deducted in books Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
34	Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+	040.004		0	
36	Provision for bad debts	+	219,981		219,981 0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43 44		+			0	
45		+			O	
46	Total Additions	=	219,981	0	219,981	
47						
	Recap of Material Additions:			_		
49 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 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 65			0	0	0	
66			0	0	0	
	Provision for bad debts		219,981	0	219,981	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
1.7						
73 74			U	<u> </u>		
			0	0	0	

	Δ	В	С	D	E I	F
1	Α	В	C	D	E	Г
	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)	LIINL	Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax	Liiiiiiations	Return	
	RATEPAYERS ONLY		Return		Return	
	Shareholder-only Items should be shown on TAXREC 3		rtotam		Version 2009.1	
7	onarcholder only hems should be shown on TAXREO				VC131011 2003.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2002					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12	•					
13						
77	Total Material additions		219,981	0	219,981	
78	Other additions less than materiality level		0	0	0	
	Total Additions		219,981	0	219,981	
80			·			
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
	Terminal loss from Schedule 8	-			0	
	Depreciation in inventory, end of prior year	-			0	
	Scientific research expenses claimed in year from Form T661	-			0	
	Bad debts	-	231,230		231,230	
	Book income of joint venture or partnership	-			0	
	Equity in income from subsidiary or affiliates	-			0	
	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
_	Total Deductions	=	231,230	0	231,230	
100						
	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106	Pad dahta		0	0	0	
107	Bad debts		231,230 0	0	231,230	
109 110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0		
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
	Total Deductions exceed materiality level		231,230	0		
	Other deductions less than materiality level		231,230	0	231,230	
	Total Deductions		231,230	0	231,230	
122	Total Doddollono		201,200	0	201,200	
144		1				

	A	В	С	D	Е	F
1			-			
	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			
9	Utility Name: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
10						
	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15	Continu Co Boom ellistica of accounting income to touch being one					
	Section C: Reconciliation of accounting income to taxable income Add:					
18	Auu.					
	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property Loss from joint ventures or partnerships	+			0	
	Deemed dividend income	+			0	
	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	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account Non-deductible meals	+	13,311		0 13,311	
	Non-deductible club dues	+	13,311		13,311	
	Non-deductible automobile costs	+			0	
	Donations - amount per books		3,250		3,250	
	Interest and penalties on unpaid taxes				0	
	Management bonuses unpaid after 180 days of year end				0	
	Imputed interest expense on Regulatory Assets				0	
39	Ontario capital tax adjustments	+			0	
	Changes in Regulatory Asset balances	+	2,526,968		2,526,968	
42	onangee in regulatory record balances	+	2,020,000		0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46 47	Total Additions on which true-up does not apply	+	2,543,529	0	2,543,529	
48	Total Additions on which true-up does not apply	=	2,545,529	0	2,343,329	
	Deduct:					
50						
	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs	-			0	
	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	3,300		3,300	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60 61		-			0	
62		-			0	
63		-			0	
_	Ontario capital tax adjustments to current or prior year	-	460,787		460,787	
65		-			0	
	Changes in Regulatory Asset balances	-			0	
67	Other deductions (Disease evaluin in detail the matrix of the item)	-			0	
68 69	Other deductions: (Please explain in detail the nature of the item)	-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	464,087	0	464,087	
74						
75						

Pilts TAXES - EB-2008-381 Version 2009.1					1		1			
Corporate Tax Rates Semptions, Deductions, or Thresholds	1	A DIL 6 TAYES - ER-2009-291	В	С	D	Е	F	G	Н	
Exemption Revenue Re						`	ersion 2009.	1		
Surface Surface Supering Surface Supering Surface Supering Surface Supering Surface Supering Surface Supering Super		•	r Threshold	ls		•	C131011 2003	•		
Rates Used in 2002 RAM PILs Applications for 2002 10	4									
Table 1 Rates Used in 2002 RAM PILs Applications for 2002 Income Range	5	Reporting period: 2002								
Rates Seed in 2002 RAM PILs Applications for 2002	6									
0	7	Date of the state					Table 1			
QRAM 2002			LS Applicat		4	200 004		İ		
1		•		_			>700 000			
2	11	IVAIII 2002	Year				7700,000			
Federal (Includes surtax) 13.12% 26.12% 26.12%	12	Income Tax Rate		,		, , , , , , ,				
Sample 19.12% 34.12% 38.62%	13	Proxy Tax Year	2002							
September 19.12% 34.12% 38.62%	14	Federal (Includes surtax)		13.12%		26.12%	26.12%			
Sapital Tax Rate	15	and Ontario blended		6.00%		6.00%	12.50%			
8 Capital Tax Rate	6	Blended rate		19.12%		34.12%	38.62%			
Sucrax	17									
O Surtax										
Ontario Capital Tax										
Exemption **	20		MAY	1.12%						
Federal Large	1	-		5,000,000						
Corporations Tax STOMM 10,000,000										
Exemption ***Examption amounts must agree with the Board-approved 2002 RAM PILS filling		_		10,000,000						
#Exemption amounts must agree with the Board-approved 2002 RAM PILs filing Table 2 Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002 Expected Rates	22	-	\$10MM	,						
PILS filing		**Exemption amounts	must agre	e with the	Board-app	proved 200	02 RAM	•		
Table 2 Table 3 Tabl		•			• • • • • • • • • • • • • • • • • • • •					
Table 2	23	•								
Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002 Follows	24						T .1.1.5			
Tincome Range		Everated Income Tay Date:		nd Canital Ta	v Evenntien	- f-= 2002	Table 2			
Expected Rates Year 200,000 700,000			101 2002 a		ix Exemplior					
Year 200,000 700,000		Ü					>700.000			
Current year 2002 2 Federal (Includes surtax) 2002 13.12% 26.12% 26.12% 26.12% 38.62% 4 Blended rate 2002 19.12% 32.12% 38.62% 6 Capital Tax Rate 2002 0.225% 8 Capital Tax Rate 2002 0.12% 8 Capital Tax 2002 Ca	29		Year	1.7			7.00,000			
2	30	Income Tax Rate								
3 Ontario 2002 6.00% 6.00% 12.50%	31	Current year	2002							
Blended rate 2002 19.12% 32.12% 38.62%	32	Federal (Includes surtax)	2002	13.12%		26.12%	26.12%			
6 Capital Tax Rate 2002 0.300%		Ontario	2002	6.00%		6.00%	12.50%			
Capital Tax Rate 2002 0.300%	34	Blended rate	2002	19.12%		32.12%	38.62%			
Table Corporations Table Corporations Table Corporations Table Corporation Table Corporation Table Corporations Corpor				2 2222/						
8 Surtax										
Ontario Capital Tax SSMM 5,000,000 SSMM To,000,000 To,0										
Sexemption 10,000,000 10,	00									
Federal Large	39			5,000,000						
Corporations Tax \$10MM 10,000,000										
***Allocation of exemptions must comply with the Board's instructions regarding regulated activities. Table 3 Input Information from Utility's Actual 2002 Tax Returns		Corporations Tax		10,000,000						
Table 3 Tabl	-		·							
Table 3 Input Information from Utility's Actual 2002 Tax Returns Income Range	11	***Allocation of exemp	tions mus	st comply v	with the Bo	ard's inst	ructions			
Table 3 Input Information from Utility's Actual 2002 Tax Returns	12	regarding regulated ac	tivities.							
Input Information from Utility's Actual 2002 Tax Returns Income Range	13						Table 3			
to to 700,000		Input Information from Utili	ty's Actual	2002 Tax Ret	urns					
Teach Teac		Income Range								
Solution	16		.,				>700,000			
9 Current year 2002 0 Federal (Includes surtax) 13.12% 22.12% 26.12% 26.12% 1.250% 12.50% 12.50% 12.50% 2 Blended rate 19.12% 31.87% 38.62% 38	47	Income Toy Date	Year	200,000		700,000				
1 13.12% 22.12% 26.12%			2002			-				
1 Ontario 6.00% 9.75% 12.50% 38.62%			2002	13 12%		22 12%	26 12%		26 12%	0 000
2 Blended rate 19.12% 31.87% 38.62%										
Capital Tax Rate 0.300%	52									
4 Capital Tax Rate 0.300%	3	·								
5 LCT rate 0.225% 6 Surtax 1.12% Ontario Capital Tax		Capital Tax Rate		0.300%						
6 Surtax 1.12%										
7 Exemption * \$5MM 4,989,031 Federal Large Corporations Tax 8 Exemption * \$10,000,000 9 * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11: federal T2 Schedule 36	6			1.12%						
Federal Large Corporations Tax 8 Exemption * 10,000,000 10,000,000 11, federal T2 Schedule 36		-		4 989 031						
Corporations Tax \$10,000,000 10,000,000 20 20 21 21 22 22 22 22 22 22 22 22 22 22 22	57		\$5MM	7,303,031						
Scorporations lax			MAX	10.5						
9 * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11: federal T2 Schedule 36	. 0	-		10,000,000						
submission: Ontario CT23 page 11: federal T2 Schedule 36						Land of				
o submission: Ontario CT23 page 11; federal T2 Schedule 36	y						in your			
	0	submission: Ontario C	T23 page	11; federa	al T2 Sched	dule 36				
	1									

	A	В	С	D	E	F	G	Н	I	J	K	L	M	Ν	0
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Kitchener-Wilmo	ot Hyd	ro Inc.												Version 2009.1
4	Reporting period: 2002				Sign Convention	on: 4	for increase; -	for	decrease						0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		1,413,943		942,861		6,806,997		11,616,877		12,731,492		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		1,405,676		4,458,461		5,864,137		4,809,880		1,114,615		0		17,652,768
	PILs proxy from April 1, 2005														
13	- input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)				17,506										17,506
	True-up Variance	+/-													
15	Adjustment (3)														0
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)				993										993
	Deferral Account Variance	+/-			-										
17	Adjustment (5)												0		0
	Adjustments to reported	+/-							-						·
18	prior years' variances (6)														0
19	Carrying charges (7)	+/-	8,267		112,047										120,315
	PILs billed to (collected	-			,										, ,
20	from) customers (8)		0		-5,060,090										-5,060,090
21															
22	Ending balance: # 1562		1,413,943		942,861		6,806,997		11,616,877		12,731,492		12,731,492		12,731,492
	1					=									

26 Uncollected PILs

24 25

30

36

38

39 40 41

28 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. 29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- 33 (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 34 35 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 43 44 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 47 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 49 50 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 56 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 74 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes 75 will have to include amounts from 1562 and from 1590.

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				_	
	A	В	С	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
4	Reporting period: 2003			Input Cell	
5	Reporting period. 2000			Formula in Cell	
6	Days in vananting paried.	205	davia	Formula in Cen	
	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Υ	
13	tax (and therefore subject to 1 123):		1/11	1	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
10	and non subject to close a so these.		.,,,	.,	
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)				
_		ООТ	\//N.I	V	
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	_ Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.78%	
	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23	·	201		10070	
24	Accounting Year End		Date	12-31-2003	
23					
	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
	USE BOARD-APPROVED AMOUNTS				
30					
	Rate Base (wires-only)			139,931,166	
υZ	,			100,001,100	
33	Common Equity Ratio (CER)			45.00%	
35	1-CER			55.00%	
33	I-CER			55.00%	
37	Target Return On Equity			9.88%	
30	Debt rate			7.00%	
70	Debi fale			7.00%	
41	Market Adjusted Revenue Requirement			11,608,690	
40		4,587,898			
42	1000 t (DIID 01 t #7	000 700		4 400 400	4 400 400
43	1999 return from RUD Sheet #7	-388,709		4,199,189	4,199,189
45	Total Incremental revenue			7,409,501	
46	Input: Board-approved dollar amounts phased-in	2,340,264		,,	
47	Amount allowed in 2001	388,709		2,340,264	2,340,264
48	Amount allowed in 2002	300,703			
				2,728,973	
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			2,728,973	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				9,268,426
55					,
	Equity			62,969,025	
57	<u> - ην·· </u>			02,000,020	
	Return at target ROE			6,221,340	
	Notain at larget NOL			0,221,340	
59	Dala			70.000.17	
	Debt			76,962,141	
61					
	Deemed interest amount in 100% of MARR			5,387,350	
63					
64	Phase-in of interest - Year 1 (2001)			3,034,823	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			4,301,283	
67	((D43+D47+D48)/D41)*D61			,,_50	
	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)			7,001,200	
	Phase-in of interest - 2005			5,387,350	
	1 11430 III 01 III(6163) - 2000			0,001,000	
71 72					l I

	A	В	С	D	E	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial	ں	M of F	M of F	Tax	
_	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.							
	Reporting period: 2003							
8	Dave in you arting paried:	205	daya				Column	
	Days in reporting period: Total days in the calendar year:	365 365	days				Brought From	\vdash
11	Total days III the calendar year.	303	days				TAXREC	
12			\$		\$		\$	\vdash
13			Ψ		Ψ		Ψ	
	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	9,268,426		3,599,021		12,867,447	
17								
	BOOK TO TAX ADJUSTMENTS							
	Additions:							
	Depreciation & Amortization	2	6,551,699		1,482,474		8,034,173	
	Employee Benefit Plans - Accrued, Not Paid	3	3,307		392,051		395,358	-
	Tax reserves - beginning of year	4			0		0	
	Reserves from financial statements - end of year Regulatory Adjustments - increase in income	4 5			0		0	
	Other Additions (See Tab entitled "TAXREC")	э		-	0		0	$\vdash \vdash \vdash$
26	"Material" Items from "TAXREC" worksheet	6			0		0	+
27	Other Additions (not "Material") "TAXREC"	6			0		0	\vdash
28	"Material Items from "TAXREC 2" worksheet	6			91,109		91,109	\vdash
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"	-			165,934		165,934	
31	and the second s			-			,	$\vdash \vdash \vdash$
	Deductions: Input positive numbers							\vdash
	Capital Cost Allowance and CEC	7	5,545,625		1,887,911		7,433,536	
	Employee Benefit Plans - Paid Amounts	8	.,,	<u> </u>	147,268		147,268	
	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	4,301,283		1,179,153		5,480,435	
	Tax reserves - end of year	4			0		0	
	Reserves from financial statements - beginning of year	4			0		0	
	Contributions to deferred income plans	3			0		0	
	Contributions to pension plans	3			0		0	
	Interest capitalized for accounting but deducted for tax	11			0		0	
	Other Deductions (See Tab entitled "TAXREC")	40			0			
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC" Material Items from "TAXREC 2" worksheet	12 12			104.476		0	-
46	Other Deductions (not "Material") "TAXREC 2"	12		-	191,176 0		191,176	
47		12			581,357		581,357	1
48	Items on which true-up does not apply "TAXREC 3"				301,337		301,337	
	TAXABLE INCOME/ (LOSS)		5,976,525		1,743,724	Before loss C/F	7,720,249	\vdash
51	TAXABLE INCOME/ (LOSS)		3,970,323		1,743,724	Delote loss C/I	1,120,243	
	BLENDED INCOME TAX RATE							
	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-1.2506%		37.37%	
54	, ,							
55	REGULATORY INCOME TAX		2,308,134		738,014	Actual	3,046,148	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	<u> </u>
59	T. (15)		0.00					Щ
60	Total Regulatory Income Tax		2,308,134		738,014	Actual	3,046,148	Щ
61								$\vdash \vdash \vdash$
62 63	II) CAPITAL TAXES							\vdash
64	II) ONLITAL TAKES							$\vdash \vdash \vdash$
65	Ontario							$\vdash \vdash \vdash$
	Base	15	139,931,166		22,824,212		162,755,378	\vdash
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-10,836		4,989,164	
68	Taxable Capital		134,931,166		22,813,376		157,766,214	
69	·							
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%	-	0.3000%	
71								الليا
72	Ontario Capital Tax		404,793]	68,505		473,299	Щ
73	Fadaval Laure Composition - T							$\vdash \vdash$
	Federal Large Corporations Tax	40	100 004 400		00 000 570		100 454 740	
	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	18 19	139,931,166 10,000,000		22,223,576		162,154,742 10,000,000	
77	Taxable Capital	19	129,931,166		22,223,576		152,154,742	
78	ι αλαυίο Θαμιταί		129,931,100		22,223,376		132,134,742	$\vdash \vdash \vdash$
	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	+
80	Take Take Transport Transport Transport Transport	20	0.223076		0.000076		0.2200/0	$\vdash \vdash \vdash$
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		292,345		50,003		342,348	\vdash
	Less: Federal Surtax 1.12% x Taxable Income	21	66,937		24,359		91,296	
83								

Part		Λ			_	-			- 11
2	\square	A	В	C	D	E	F	G	Н
37 ACA CULATIONS (TAXACL.O)			IIEM						
Common C				Estimate				Returns	
Utility Name: Richment Wilmol Hydro Inc.									
Universe (Nichones William) American (Scholars) Column Colum						K-C	Explanation		
7 Responsible particle 2003								Version 2009.1	
Days in reporting periods 305 days									
9 Days Interporting period: 985 days		Reporting period: 2003							
10 Total days in the celendar year:								Column	
10 Total days in the celendar year:	9	Days in reporting period:	365	days				Brought	
TARREC			365					From	
12		,							
No. LCT				\$		\$			
35 Mart LCT				Ť		· ·		*	
Section Sect		Not LCT		225 409		25.644		251.052	
Section Sect		NEL LOT		225,400		23,044		231,032	
Brown Tax Rate used for gross- up (exclude surtan) 37,500		III) INCLUCION IN DATEC							
Section Tax Rate used for gross-up (exclude surfax) 27 37.50% 37.		III) INCLUSION IN RATES							
Section Part Part		T D () () ()		07.500/					
20		income Tax Rate used for gross- up (exclude surtax)		37.50%					
1									
20									
39									
9.5		Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2003	473,299	
Section Sect	93								
RAM DECISION	94								
RAM DECISION	95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	4,458,461			Actual 2003	3,770,499	
39 Second Prince Second									
98									
So Information				1				1	
100 M Calculation of the True-up Variance		IV) FUTURE TRUE-UPS						1	
107 Additions						DB//CB/			
102 Employee Benefit Plans - Accrued, Not Paid 3 0 0 1 1 1 1 1 1 1 1						DK/(CK)			
105 Tax reserves deducted in prior year									
104 Reserves from financial statements-end of year									
105 Regulatory Adjustments									
105 Order additions "Material" Items TAXREC 6 91,109 9 9 1 147,268 9 100 9 111 112 120						0			
107 Other additions "Material" Items TAXREC 2 6 91,109			5			0			
108 Implayes Benift Plans - Polar Amounts	106	Other additions "Material" Items TAXREC	6			0			
190 Employee Benefit Plans - Paid Amounts	107	Other additions "Material" Items TAXREC 2	6			91,109			
110 Items Capitalized for Regulatory Purposes 9	108	In Deductions - positive numbers							
110 Items Capitalized for Regulatory Purposes 9			8			147.268			
111 Regulatory Adjustments									
112 Interest Adjustment for tax purposes (See Below - cell 1206)									
113 Tax reserves claimed in current year									
114 Reserves from F/S beginning of year									
115 Contributions to deferred income plans 3									
116 Contributions to pension plans 3									
117 Other deductions "Material" Items TAXREC 12 191,176 191,176 191,176									
118 Other adductions "Material" item TAXREC 2 12 191,176									
119									
120 Total TRUE-UPS before tax effect		Other deductions "Material" Item TAXREC 2	12			191,176			
121									
122 Income Tax Rate (excluding surtax) from 2003 Utility's tax return		Total TRUE-UPS before tax effect	26		=	51,630			
123									
124 Income Tax Effect on True-up adjustments	122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			Х	36.62%			
125	123								
126 Less: Miscellaneous Tax Credits	124	Income Tax Effect on True-up adjustments				18,907			
126 Less: Miscellaneous Tax Credits	125								
127		Less: Miscellaneous Tax Credits	14			0			
128 Total Income Tax on True-ups									
129		Total Income Tax on True-ups				18.907			
130 Income Tax Rate used for gross-up (exclude surtax)		'				.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
131		Income Tax Rate used for gross-up (exclude surtax)				35.50%			
132 TRUE-UP VARIANCE ADJUSTMENT 29,313		3,000 ab (overego carray)				30.0070			
133		TRUE-UP VARIANCE ADJUSTMENT				20 212		+	
134 Changes in legislation		THE ST TAINING ADDOUGHERT				23,313			
134 Changes in legislation		IV h) Calculation of the Deferral Account Variance caused by							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial setimate column)								1	
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)		cnanges in legislation							
136 estimate column)									
136 estimate column)		REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
138 REVISED CORPORATE INCOME TAX RATE x 36.62% 139 140 REVISED REGULATORY INCOME TAX = 2,188,603 141 = 2,188,603 = 142 Less: Revised Miscellaneous Tax Credits - 0 143 = 2,188,603 = 144 Total Revised Regulatory Income Tax = 2,188,603 = 145 = 2,188,603 = = 145 = 2,388,603 = = 145 = 2,388,603 = = 146 C58) - 2,388,603 = = 146 C58) - 2,308,134 = = 147 - - 2,308,134 = = 148 Regulatory Income Tax Variance = (119,530) = - 149 = - - - - -	136	estimate column)			=	5,976,525		1	
139	137								
139	138	REVISED CORPORATE INCOME TAX RATE			х	36.62%			
140 REVISED REGULATORY INCOME TAX = 2,188,603 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
141 142 Less: Revised Miscellaneous Tax Credits - 0 - 0 - - 0 -		REVISED REGULATORY INCOME TAX			=	2.188 603			
142 Less: Revised Miscellaneous Tax Credits - 0 - 0 143 1 - - 0 -				1	-	_,.00,000		1	
143		Less: Revised Miscellaneous Tax Credits			_	0			
144 Total Revised Regulatory Income Tax = 2,188,603 145 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58) - 2,308,134 147 147 Regulatory Income Tax Variance = (119,530) 148 Regulatory Income Tax Variance = (119,530)		2000. NOVIGOU IVIIGOUIGI ICOUG TAX OTGUIG			-	0		+	
145 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58) 2,308,134 2,308,134 3,		Total Revised Regulatory Income Tay				2 199 602			
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)		TOTAL TO VISEU INEGUIATORY INCOME TAX		 		2,100,003		1	
146 C58) - 2,308,134 - 147 - - 2,308,134 - 148 Regulatory Income Tax Variance = (119,530) - 149 - - - -		Lace: Regulatory Income Tay reported in the Initial Estimate Column (Call		 				1	
147						0.000.404		[
148 Regulatory Income Tax Variance = (119,530) 149		U08)			-	2,308,134			
149		Danielska i karana Tarr Vari		1		//		1	
		Regulatory Income Tax Variance			=	(119,530)			
15U Ontario Capital Tax									
	150	Ontario Capital Tax							

_	A	В	С	D	Е	F	G H
1	PILs TAXES - EB-2008-381	ITEM	Initial	В	M of F	M of F	Tax
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns
	TAX CALCULATIONS (TAXCALC)				Variance	Variance	110101110
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	
5	0					·	Version 2009.1
	Utility Name: Kitchener-Wilmot Hydro Inc.						
7	Reporting period: 2003						
8	Davis to account on a catalo	005	-l				Column
9	Days in reporting period: Total days in the calendar year:	365 365	days				Brought From
11	Total days III the calendar year.	303	days				TAXREC
12			\$		\$		\$
13			·		*		
	Base			=	139,931,166		
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000		
	Revised deemed taxable capital			=	134,931,166		
154					0.00000/		
	Rate - Tab Tax Rates cell C54			Х	0.3000%		
156	Revised Ontario Capital Tax			1 = 1	404,793		
137	Less: Ontario Capital Tax reported in the initial estimate column (Cell			+-	404,793		
158	C70)			-	404,793		
	Regulatory Ontario Capital Tax Variance			=	0		
160							
	Federal LCT						
	Base				139,931,166		
_	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000		
164	Revised Federal LCT			=	129,931,166		
165	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%		
167	Trace (as a result of legislative changes) tab Tax Traces cell cor				0.223070		
_	Gross Amount				292,345		
_	Less: Federal surtax			-	66,937		
170	Revised Net LCT			=	225,408		
171							
	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	225,408		
173	Regulatory Federal LCT Variance			=	0		
	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%		
176	Actual income Tax Nate used for gross-up (exclude surfax)				33.30 /6		
	Income Tax (grossed-up)			+	(185,319)		
	LCT (grossed-up)			+	0		
179	Ontario Capital Tax			+	0		
180							
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(185,319)		
182	TRUE-UP VARIANCE (from cell I132)			+	29,313		
184	TRUE-UP VARIANCE (from cell 1132)			+	29,313		
	Total Deferral Account Entry (Positive Entry = Debit)			=	(156,006)		
	(Deferral Account Variance + True-up Variance)			+-	(130,000)		
187	portrain toosan variance i mae ap variance)						
188							
189							
	V) INTEREST PORTION OF TRUE-UP						
	Variance Caused By Phase-in of Deemed Debt						
192	Total dagmad interest (DECINICO)			1 1	E 007.0E0		
	Total deemed interest (REGINFO) Interest phased-in (Cell C36)			+	5,387,350 4,301,283		
195	interest phaseurin (Cell Coo)			1 1	7,301,203		
	Variance due to phase-in of debt component of MARR in rates			+	1,086,067		
197	according to the Board's decision						
198							
	Other Interest Variances (i.e. Borrowing Levels			\coprod			
	Above Deemed Debt per Rate Handbook)			+	F 100 10-		
	Interest deducted on MoF filing (Cell K36+K41) Total deemed interest (REGINFO CELL D61)			+	5,480,435 5,387,350		
202 203	rotal deemed interest. (REGINFO CELL D61)			+	5,387,350		
	Variance caused by excess debt			+	93,086		
205				1 1	00,000		
	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				93,086		
207					·		
	Total Interest Variance				992,982		
209							
210							
211							

	Α	-				
1	A PILs TAXES - EB-2008-381	LINE	C M of F	D Non-wires	E Wires-only	F
		LINE	Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	2	Return	
4	0		Return			
5					Version 2009.1	
	Section A: Identification:					
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2003					
10	Taxation Year's start date: Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12	Trained of days in taxation your.		000	aayo		
	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N		,		
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
	Does the utility carry on non-wires related operation?	Y/N				
	(Please complete the questionnaire in the Background questionnaire w	orkshe	et.)			
19	Note: Committee and Misses and Date to Tab #TAVCALO# Column I/					
20 21	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used.					
	If required please change the descriptions except for amortization, interest e	expense	and provision for inc	come tax		
26						
27	Please enter the non-wire operation's amount as a positive number, the prog			amounts		
28	in the "non-wires elimination column" as negative values in TAXREC and TA	AXREC2	2.			
29	-					
	Income:		400 700 46-		400 700 405	
31	Energy Sales Distribution Revenue	+	128,780,125 29,792,692		128,780,125 29,792,692	
33	Other Income	+	96,209		29,792,692 96,209	
34	Miscellaneous income	+	1,547,471		1,547,471	
35	Wilderian Cods in Conte	+	1,547,471		0	
	Revenue should be entered above this line				- C	
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	128,780,125		128,780,125	
40	Administration	-	2,627,230		2,627,230	
41	Customer billing and collecting	-	2,254,446		2,254,446	
42	Operations and maintenance	-	5,154,295		5,154,295	
43	Amortization	-	7,510,231		7,510,231	
44	Property & Ontario Capital Taxes	-	972,486		972,486	
45 46	Interest expense not subject to clawback	-	50,237		50,237	
47		-			0	
48		-			0	
49					· ·	
_	Net Income Before Interest & Income Taxes EBIT	=	12,867,447	0	12,867,447	
51	Less: Interest expense for accounting purposes	-	5,480,435		5,480,435	
52	Provision for payments in lieu of income taxes	-	3,319,312		3,319,312	
53	Net Income (loss)	=	4,067,700	0	4,067,700	
	(The Net Income (loss) on the MoF column should equal to the net income (loss)					
54 55	per financial statements on Schedule 1 of the tax return.)					
	Section C: Reconciliation of accounting income to taxable income					
	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	3,750,519	0	3,750,519	
	Federal large corporation tax	+			0	
	Depreciation & Amortization	+	8,034,173	0	, ,	
	Employee benefit plans-accrued, not paid	+	395,358	0	,	
	Tax reserves - beginning of year	+	0	0		
	Reserves from financial statements- end of year	+	0	0		
	Regulatory adjustments on which true-up may apply (see A66)	+	165.004	0	165 934	
	Items on which true-up does not apply "TAXREC 3"		165,934		165,934	
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	91,109	0		
69	Other addition items (not Material) from TAXREC 2	+	U	0	U	
70	Subtotal		12,437,093	0	12,437,093	
71	Gustotui		12,701,033	0	12,701,000	
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed	+			0	
76		+	0		0	
		+			0	
77		+			0	
78					0	
78 79	Tatal Other Additions	+				
78 79 80	Total Other Additions	+	0	0	0	
78 79 80 81		=			0	
78 79 80 81 82	Total Other Additions Total Additions	_	12,437,093	0	0	
78 79 80 81 82 83		=			0	

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
	Other additions (less than materiality level)		0	0	0	
	Total Other Additions		0	0	0	
95	DOOK TO TAY REPURCTIONS					
	BOOK TO TAX DEDUCTIONS: Capital cost allowance	_	7,433,536		7,433,536	
	Cumulative eligible capital deduction		7,433,330		7,433,330	
	Employee benefit plans-paid amounts		147,268		147,268	
	Items capitalized for regulatory purposes	_	147,200		0	
	Regulatory adjustments :	-			0	
102		-			0	
103		_			0	
	Tax reserves - end of year	-	0	0	0	
	Reserves from financial statements- beginning of year	-	0	0	0	
	Contributions to deferred income plans	-			0	
_	Contributions to pension plans	-			0	
	Items on which true-up does not apply "TAXREC 3"		581,357	0	581,357	-
	Interest capitalized for accounting deducted for tax	-			0	
	Material deduction items from TAXREC 2	-	191,176	0	191,176	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112	, , , , , , , , , , , , , , , , , , ,					
113	Subtotal	=	8,353,337	0	8,353,337	
114	Other deductions (Please explain the nature of the deductions)					
	Charitable donations - tax basis	-			0	
_	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119		-		_	0	
120	Total Other Deductions	=	0	0	0	
121	T. I.D. I. e		0.050.007		0.050.007	
122	Total Deductions	=	8,353,337	0	8,353,337	
123	Decem Material Deductions					
125	Recap Material Deductions:		0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
_	Total Other Deductions exceed materiality level		0	0	0	
_	Other Deductions less than materiality level		0	0	0	
	Total Other Deductions		0	0		
133						
	TAXABLE INCOME	=	8,151,456	0	8,151,456	
	DEDUCT:					
	Non-capital loss applied positive number	-	0		0	
137		-			0	
138					0	
	NET TAXABLE INCOME	=	8,151,456	0	8,151,456	
140						
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	2,027,216		2,027,216	
	Net Ontario Income Tax (Must agree with tax return)	+	1,018,932		1,018,932	
	Subtotal	=	3,046,148	0	3,046,148	
	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
_	Total Income Tax	=	3,046,148	0	3,046,148	
147						
	FROM ACTUAL TAX RETURNS Not Fodoral Income Tay Pate (Must caree with tay return)	-	24.0704		04.070/	
	Net Federal Income Tax Rate (Must agree with tax return) Net Ontario Income Tax Rate (Must agree with tax return)	+	24.87% 12.50%		24.87% 12.50%	
151		+	37.37%		37.37%	
152		+	31.31%		31.31%	
	Section F: Income and Capital Taxes	+				
154		+				
	RECAP					
	,,	+	3,046,148	0	3,046,148	
155			0,0 10,170	U	0,040,140	
155 156	Total Income Taxes	+	473.299		473.299	
155 156 157			473,299 251,052		473,299 251,052	
155 156 157	Total Income Taxes Ontario Capital Tax Federal Large Corporations Tax	+				
155 156 157 158	Total Income Taxes Ontario Capital Tax Federal Large Corporations Tax	+		0		

	A	В	С	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	•
	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: Kitchener-Wilmot Hydro Inc.					
8	Reporting period: 2003					
9	TAY DECEDUES					
11	TAX RESERVES					
	Beginning of Year:					
13	beginning or rear.				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	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	
	Other - Please describe				0	-
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	Find of Verm					
24 25	End of Year:				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss. 20(1)(n)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39	Designing of Veer					
41	Beginning of Year:				0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51	First of Version					
53	End of Year:				0	
54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
_	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
61					0	
	Insert line above this line					-
	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	В	С	D	E	F
1	Λ			D		'
	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	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						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2003					
10	Number of days in taxation year:		365			
11 12	Materiality Level:		0			
13						
14						
	Section C: Reconciliation of accounting income to taxable income					
	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22	Colontific recognish expanditures deducted	+			0	
23	Scientific research expenditures deducted	+			0	
	per financial statements Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
34	Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+	04.400		0	
36 37	Provision for bad debts	+	91,109		91,109 0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Curor reduction. (produce explain in detail the reduction of the item)	+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	91,109	0	91,109	
47	D. CM of LATES					
48 49	Recap of Material Additions:		0	0	0	
50			0	0		
51			0	0	0	
52			0	0		
53			0	0	0	
54			0	0	0	
55			0	0		
56			0	0	0	
57			0	0		
58			0	0	0	
59			0	0	0	
60 61			0	0	0	
62			0	0		
63			0	0	0	
64			0	0	0	
65			0	0		
66			0	0	0	
67	Provision for bad debts		91,109	0		
68			0	0	0	
69			0	0	0	
70			0	0		
71 72			0	0	0	
73			0	0	0	
74			0	0		
			U	U	U	

2 PLE TAXES - E83-2008-381		A	В	С	D	E	F
3 TAX RETURN RECONCLIATION (TAXREC 2)	1						
4 (tor 'wires-only' business see 3. 72 OEB Act) Tax Return			LINE				
Sarehoter only tems should be shown on TAXREC 3 Version 2009.1					Eliminations		
Separate					Return		
Villiy Name: Kitchener-Wilmot Hydro Inc.				Return			
Builtiny Name: Kitchener-Wilmot Hydro Inc.		Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
Personal period: 2003							
10 Materiality Level:							
11 Materiality Level:							
12							
13	11	Materiality Level:		0			
Total Material additions							
Total Material additions					_	_	
177 Total Material additions 91,109 0 91,109 0 0 0 0 0 0 0 0 0							
78 Other additions less than materiality level 0 0 0 91,109 0 91,10				~		~	
178 Total Additions 91,109 0 91,109 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 81 80 80							
80 Deduct:				~			
81 Deduct:		I otal Additions		91,109	0	91,109	
22 32 32 32 32 32 32 32		Doducate					
83 Dividends not taxable under section 83 -				00.400		00.400	
Bate Terminal loss from Schedule 8 -	82	Gain on disposal of assets per f/s Dividende not toyoble under section 92		20,123			
SE Depreciation in inventory, end of prior year -						~	
BB Scientific research expenses claimed in year from Form T661 -							
171,053 171,053 171,053 171,053 171,053 8 Book income of joint venture or partnership -	85	Depreciation in inventory, end of prior year					
88 Book income of joint venture or partnership - 0 90 Contributions to a qualifying environment trust - 0 91 Other income from financial statements - 0 92 Page 1 - 0 93 Other deductions: (Please explain in detail the nature of the item) - 0 95 Other deductions: (Please explain in detail the nature of the item) - 0 96 Non-taxable load transfers - 0 0 97			l - l	474.050		~	
B8 Equity in income from subsidiary or affiliates -				171,053			
90 Contributions to a qualifying environment trust						-	
Other income from financial statements -			-				
92							
93		Other income from financial statements	l			U	
94 95 Other deductions: (Please explain in detail the nature of the item)						0	
Other deductions: (Please explain in detail the nature of the item) -						-	
Non-taxable load transfers - 0 0 0 0 0 0 0 0 0		Other deductions: (Please explain in detail the nature of the item)	l				
97 - 0 0 98 - 0 0 99 Total Deductions				0			
98		Noi Flaxable load translers		U		·	
99 Total Deductions							
100 Recap of Material Deductions:		Total Deductions		101 176	0		
		Total Deductions		131,170	0	131,170	
102 Gain on disposal of assets per f/s 20,123 0 20,123 103 0 0 0 0 104 0 0 0 0 105 0 0 0 0 106 0 0 0 0 0 107 Bad debts 171,053 0 171,053 108 0 0 0 0 0 109 0 0 0 0 109 0 0 0 0 109 0 0 0 0 0 111 0 0 0		Recap of Material Deductions:					
103				20 123	n	20 123	
104	103						
105 0 0 0 0 0 106 107 Bad debts 171,053 0 171,053 108 0 0 0 0 0 109 0 0 0 0 109 0 0 0 0 110 0 0 0 0	104						
106	105						
107 Bad debts	106						
108				171,053	0	171,053	
109	108						
110	109			0		0	
111	110						
112	111			0	0	0	
1113 0 0 0 114 0 0 0 115 0 0 0 116 0 0 0 117 0 0 0 118 0 0 0 119 Total Deductions exceed materiality level 191,176 0 191,176 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 191,176 0 191,176	112			0	0	0	
1114 0 0 0 115 0 0 0 116 0 0 0 117 0 0 0 118 0 0 0 119 Total Deductions exceed materiality level 191,176 0 191,176 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 191,176 0 191,176	113			0	0	0	
115 0 0 0 116 0 0 0 117 0 0 0 118 0 0 0 119 Total Deductions exceed materiality level 191,176 0 191,176 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 191,176 0 191,176	114			0		0	
116	115			0	0	0	
117	116			0	0	0	
118 0 0 0 119 Total Deductions exceed materiality level 191,176 0 191,176 120 Other deductions less than materiality level 0 0 0 121 Total Deductions 191,176 0 191,176	117			0	0	0	
120 Other deductions less than materiality level 0 0 0 121 Total Deductions 191,176 0 191,176	118			0	0	0	
120 Other deductions less than materiality level 0 0 121 Total Deductions 191,176 0 191,176				191,176	0	191,176	
121 Total Deductions 191,176 0 191,176					0	0	
122	121			191,176	0	191,176	
	122						

1						
-	PILs TAXES - EB-2008-381					
	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
_	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		Ketuiii	
	Utility Name: Kitchener-Wilmot Hydro Inc.	•	rectuiii		Version 2009.1	
9	ounty name. Interior minor rivare inc.				VOI OIOII 2000:1	
10						
11	Reporting period: 2003					
	Number of days in taxation year:		365			
13						
14						
15						
	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24 I	Loss from joint ventures or partnerships	+			0	
25 I	Deemed dividend income	+			0	
	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	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments Dividends credited to investment account	+			0	
	Dividends credited to investment account Non-deductible meals	+	15,784		15,784	
	Non-deductible rileals Non-deductible club dues	+	10,704		0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books		150,150		150,150	
	Interest and penalties on unpaid taxes		ŕ		0	
37 I	Management bonuses unpaid after 180 days of year end				0	
	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
	Changes in Regulatory Asset balances	+			0	
42	Other Additions: (please explain in detail the nature of the item)	+			0	
43 44	Other Additions: (please explain in detail the nature of the item)	+			0	
45		+			0	
46		+			0	
	Total Additions on which true-up does not apply	=	165,934	0	165,934	
48			, , , , , , , , , , , , , , , , , , , ,			
49 I	Deduct:					
50						
	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs Imputed interest income on Regulatory Assets	-			0	
	Imputed Interest income on Regulatory Assets Donations - amount deductible for tax purposes	-	150,150		150,150	
	Income from joint ventures or partnerships	-	150,150		150,150	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
	Ontario capital tax adjustments to current or prior year	-	431,207		431,207	
65		-			0	
	Changes in Regulatory Asset balances	-			0	
67	04 11 4 (8)	-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70 71		-			0	
71 72		-			0	
_	Total Deductions on which true-up does not apply	-	581,357	0	ŭ	
74	Total Deductions on which true-up does not apply		001,007	U	301,337	
					<u> </u>	

	А	В	С	D	Е	F	G	Н	ı
1	PILs TAXES - EB-2008-381	Ь	C	D		Г	<u> </u>	П	- '
	Corporate Tax Rates				١.	ersion 2009.	1		
	Exemptions, Deductions, o	r Threshold	ls		•	er 31011 2003.	•		
4	Utility Name: Kitchener-Wil								
	Reporting period: 2003	illot Hydro	iiic.						
6	Reporting period. 2003								
7						Table 1			
	Rates Used in 2002 RAM PI	Le Applicat	ione for 2003)		Table I			
	Income Range	L3 Applicat	0	_	200,001				
	RAM 2002		to		to	>700000			
11	INAIWI 2002	Year	200,000		700,000	<i>>100000</i>			
	Income Tax Rate	i cai	200,000		700,000				
	Proxy Tax Year	2002							
	7	2002	40.400/		00.400/	00.400/			
	Federal (Includes surtax)		13.12%		26.12%	26.12%			
15	and Ontario blended		6.00%		6.00%	12.50%			
16	Blended rate		19.12%		34.12%	38.62%			
17			2 2222/						
	Capital Tax Rate		0.300%						
	LCT rate		0.225%						
20	Surtax		1.12%						
	Ontario Capital Tax	MAX	5,000,000						
21	Exemption **	\$5MM	5,555,555						
	Federal Large	MAX							
	Corporations Tax	\$10MM	10,000,000						
22	Exemption **	·							
	**Exemption amounts	must agre	e with the	Board-app	roved 200	2 RAM			
	PILs filing								
23	g								
24									
25						Table 2			
26	Expected Income Tax Rates	s for 2003 a	nd Capital Ta	ax Exemption	s for 2003				
	Income Range		0		200,001				
28	Expected Rates		to		to	>700000			
29	•	Year	200,000		700,000				
30	Income Tax Rate		Í		Í				
31	Current year	2003							
	Federal (Includes surtax)	2003	13.12%			24.12%			
33	Ontario	2003	6.00%			12.50%			
34	Blended rate	2003	19.12%		34.12%	36.62%			
35	Dichaca rate	2000	13.1270		04.1270	00.0270			
	Capital Tax Rate	2003	0.300%						
	LCT rate		0.300%						
		2003							
30	Surtax	2003	1.12%						
20	Ontario Capital Tax	MAX	5,000,000						
	Exemption *** 2003	\$5MM							
	Federal Large	MAX	40,000,000						
40	Corporations Tax	\$10MM	10,000,000						
	Exemption *** 2003	·		141 - 41					
41	***Allocation of exemp		st comply v	vith the Bo	ard's insti	ructions			
42	regarding regulated ac	tivities.							
43						Table 3			
	Input Information from Utili	ty's Actual	2003 Tay Dod	turne		เลมเซ ว			
	Income Range	.y o Actual	0 0	umo	200,001				
46	moonie nange		to		200,001 to	>700,000			
47		Year	200,000		700,000	2.00,000			
	Income Tax Rate	ı cal	200,000		700,000				
		2002							
	Current year	2003	12 120/		0.000/	2/ 120/		24 420/	0.000/
	Federal (Includes surtax)		13.12%		0.00%	24.12%		24.12%	0.00%
51	Ontario		6.00%		0.00%	12.50%		12.50%	0.00%
52	Blended rate		19.12%		0.00%	36.62%		36.62%	0.00%
53	·								
	Capital Tax Rate		0.300%						
	LCT rate		0.225%						
56	Surtax		1.12%						
	Ontario Capital Tax	MAX	1 000 161						
57	Exemption *	\$5MM	4,989,164						
	Federal Large	RAAV							
	Corporations Tax	MAX	10,000,000						
58	Exemption *	\$10MM	,,						
	* Include copies of the	actual tax	return all	ocation cal	culations	in your			
	-					, oui			
60	submission: Ontario C	ı zə page	ii, iedera	ıı ız əcned	uie 30				
61									
٠.									

	A	В	С	D	Е	F	G	Н		J	K	L	М	Ν	0
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Kitchener-Wilmo	t Hyd	ro Inc.												Version 2009.1
4	Reporting period: 2003				Sign Convention	on: +	for increase;	- for	decrease						0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10													[
11	Opening balance:	=	0		1,413,943		942,861		843,615		5,653,494		6,768,109		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		1,405,676		4,458,461		5,864,137		4,809,880		1,114,615		0		17,652,768
	PILs proxy from April 1, 2005														
13	- input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)		-		17,506										17,506
	True-up Variance	+/-													
15	Adjustment (3)						85,136						29,313		114,449
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)				993										993
	Deferral Account Variance	+/-													
17	Adjustment (5)												-185,319		-185,319
	Adjustments to reported	+/-													
18	prior years' variances (6)														0
19	Carrying charges (7)	+/-	8,267		112,047		52,273								172,587
	PILs billed to (collected	-													
20	from) customers (8)		0		-5,060,090		-6,100,792								-11,160,881
21															
22	Ending balance: # 1562		1,413,943		942,861		843,615		5,653,494		6,768,109		6,612,104		6,612,104

26 Uncollected PILs

24 25

30

28 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. 29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- 33 (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 34 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 35 36 If the Board gave more than one decision in the year, calculate a weighted average proxy.
- (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. 37
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- 38 39 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005. 40 41
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 43 44 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 47 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year recording true up in 2002, 2003 and 2003 an 52 53 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 54 (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 components for Q4, 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 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7. for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 61 62 63 64 65 67 68 70 71 72 73 74 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes 75 76 77 will have to include amounts from 1562 and from 1590.

A B C D E I PILs TAXES - EB-2008-381 REGULATORY INFORMATION (REGINFO) JUILITY Name: Kitchener-Wilmot Hydro Inc. Reporting period: 2004 Reporting period: 2004 Reporting period: 366 days Total days in the calendar year: 366 days BACKGROUND Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)? Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs? Is the utility a non-profit corporation? (If it is a non-profit corporation, please contact the Rates Manager at the OEB) A re the Ontario Capital Tax & Large Corporations Tax Exemptions OCT Y/N N N Please identify the % used to allocate the OCT and LCT exemptions in OCT 99.81% Cells C65 & C74 in the TAXCALC spreadsheet. LCT 100% 12-31-2004	9.1
3 Utility Name: Kitchener-Wilmot Hydro Inc. Colour Code	
Reporting period: 2004 Input Cell	
Formula in Cell	
6 Days in reporting period: 7 Total days in the calendar year: 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)? 14 Was the utility recently acquired by Hydro One 15 and now subject to s.89 & 90 PILs? 16 Is the utility a non-profit corporation? 17 Is the utility a non-profit corporation, please contact the Rates Manager at the OEB) 19 Are the Ontario Capital Tax & Large Corporations Tax Exemptions 20 shared among the corporate group? 21 Please identify the % used to allocate the OCT and LCT exemptions in OCT 22 Cells C65 & C74 in the TAXCALC spreadsheet. 23 Gays 366 days 366 498 498 499 409 409 409 409 409 409 409 409 409	
7 Total days in the calendar year: 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)? 14 Was the utility recently acquired by Hydro One 15 and now subject to s.89 & 90 PILs? 17 Is the utility a non-profit corporation? 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 20 shared among the corporate group? 21 Please identify the % used to allocate the OCT and LCT exemptions in OCT 22 Cells C65 & C74 in the TAXCALC spreadsheet. 23 days 366 days 48 CAT Y/N Y DESTRUCT: 100%	
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21 Please identify the % used to allocate the OCT and LCT exemptions in CCT 99.81% 22 Cells C65 & C74 in the TAXCALC spreadsheet. LCT 100%	
22 Cells C65 & C74 in the TAXCALC spreadsheet. LCT 100%	
23	
24 Accounting Year End Date 12-31-2004	I
20	
26 MARR NO TAX CALCULATIONS Regulat	ry
27 SHEET #7 FINAL RUD MODEL DATA Incom	,
28 (FROM 1999 FINANCIAL STATEMENTS)	
29 USE BOARD-APPROVED AMOUNTS 30	
31 Rate Base (wires-only) 139,931,166	
UZ Y	
33 Common Equity Ratio (CER) 45.00%	
35 1-CER 55.00%	
37 Target Return On Equity 9.88%	
39 Debt rate 7.00%	
41 Market Adjusted Revenue Requirement 11,608,690	
42 4,587,898	
43 1999 return from RUD Sheet #7 -388,709 4,199,189 4,1	99,189
45 Total Incremental revenue 7,409,501	
46 Input: Board-approved dollar amounts phased-in 2,340,264	
	10,264
	28,973
49 Amount allowed in 2003 and 2004 (will be zero due to Bill 210 388,709 unless authorized by the Minister and the Board)	0
51 Amount allowed in 2005 - Third tranche of MARR re: CDM	0
52 Other Board-approved changes to MARR or incremental revenue	0
53	0
54 Total Regulatory Income 9,2	58,426
56 Equity 62,969,025	
57 Cquity C2,969,025	
58 Return at target ROE 6,221,340	
59	
60 Debt 76,962,141	
61	
63	
64 Phase-in of interest - Year 1 (2001) 3,034,823	
65 ((D43+D47)/D41)*D61	
66 Phase-in of interest - Year 2 (2002) 4,301,283	
67 ((D43+D47+D48)/D41)*D61 68 Phase-in of interest - Year 3 (2003) and forward 4,301,283	
69 ((D43+D47+D48)/D41)*D61 (due to Bill 210)	
70 Phase-in of interest - 2005 5,387,350	
71	
72	

PREAT FER 2008-381		A	В	С	D	Е	F	G	Н
PART DEFERMAN AND VARBORIS ACCOUNTS Sentence Plays Province Provinc	1				U				
Name Common Name		I I E IVI							
Comparison				Estillate				Returns	
Section Communication Co									
Specimen Procedures Winners Proportion						K-C	Explanation		
The property general 2004								Version 2009.1	
Column C	6	Utility Name: Kitchener-Wilmot Hydro Inc.							
20 part in registrate 366 599	7	Reporting period: 2004							
30 part 10 p	8	· •						Column	
13 Total Cayley in the Calendary year:		Days in reporting period:	366	days					
11 15 15 15 15 15 15 15									
S		Total days in the calendar year:	300	uays					
15 SCHPORATE NICOMETANES									
14 SCORPOTATE RICORET TARS	12			\$		\$		\$	
14 SCORPOTATE RICORET TARS	13								
15		I) CORPORATE INCOME TAXES							
1.5 Regulation Net Income REGINTO EGG 1. 1. 1. 2.695.600 1.2.693.701 1. 1.5.695.600 1.2.693.701 1. 1. 1.5.695.600 1.2.693.701 1. 1. 1. 1. 1. 1. 1.		I COM CHATE INCOME TAXED							
10		D. L. M. J. DEONEO ECO		0.000.400		0.405.055		10 100 701	
18 DOCK TOTAX ADJUSTNENTS		Regulatory Net Income REGINFO E53	1	9,268,426		3,135,355		12,403,781	
19. Addition:									
20 Depression Americation 2 8,055,689 2,010.450 8,400,754 7,1700 2,001,610 7,1700 2,001,610 7,1700 2,001,610 7,1700 2,001,610 7,1700	18	BOOK TO TAX ADJUSTMENTS							
20	19	Additions:							
20	20	Depreciation & Amortization	2	6 551 699		2 010 455		8 562 154	
22 Tensiones - Enginering of year									
22 Reserves from financial scienteries - entrol of years				3,307					
28 Register Adjustments - Increase in increase 5 0 0 0 0 0 0 0 0 0									
25 Other Additions from TAXREC 0 0 0 0 0 0 0 0 0									
29 Marient Brens from TARREC Worksheet 6 0 0 0 0 0 0 0 0 0			5			0		0	Ш
29 Marient Brens from TASREC 'verdeblace' 6 0 0 0 15,470	25	Other Additions (See Tab entitled "TAXREC")							7
27 Omer Additions from TACHECT Coverables** 0			6			0		0	
20								0	\neg
Bears of white true—process not apply "TAXREC 3" 170.086 170						·		0	$\vdash \vdash$
30 Name Son which true-up does not apply "TAXREC 3" 170,945								115,474	$\vdash \vdash \vdash$
30 Deductions: Imput positive numbers 7 5.545,665 2.054,32 7.000,67	29		6					0	Ш
30 Deductions: Reput positive numbers 7 5,845,625 2,084,425 7,800,067 1,000,	30	Items on which true-up does not apply "TAXREC 3"				170,645		170,645	
State Stat									\Box
Society Soci		Deductions: Input positive numbers							\vdash
Section Sect			7	E 5 4 5 00 5		0.054.400		7.000.055	\vdash
Some chaptering to the Regulatory Purposes 9 0 0 0 0 0 0 0 0 0				5,545,625					$\boldsymbol{\longmapsto}$
Society Agesterory Adjustments - deduction for tax purposes in leam 5 10								-	
37 Interest Expense Deermed Heurned 11 4.901.28 1.90,528 3.91.811 0 0 0 0 0 0 0 0 0	35	Items Capitalized for Regulatory Purposes	9	0		0		0	
37 Interest Expense Deermed Heurned 11 4.901.28 1.90,528 3.91.811 0 0 0 0 0 0 0 0 0	36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
Second Commencial Statements - Segurating of year				4 301 283		1 190 528		5 /01 811	
38 Secrees from financial statements - Degining of year 4 0 0 0 0 0 0 0 0 0				4,501,205					
40 Contributions to deferred income plans 3 0 0 0 0 0 0 0 0 0									
41 Contributions to person plans 3 0 0 0 0 0 0 0 0 0									
42 Sterest capitalized for accounting but deducted for tax 11	40	Contributions to deferred income plans	3			0		0	
42 Interest capitalized for accounting but deducted for tax 11 0 0 0 0 1 1 1 1	41	Contributions to pension plans	3			0		0	
43 Other Deductions (See Tab entitled "TAXREC")			11			0		0	
Material flums from TAXREC' worksheet								Ŭ	
Material terror TARREC 2 12 20 0 0 0 0 0 0 0 0			10						
Material terms from "TAXREC 2" worksheet 12									
Martin M	45	Other Deductions (not "Material") "TAXREC"	12			0		0	
Martin M	46	Material Items from "TAXREC 2" worksheet	12			226,571		226,571	
March Marc	47	Other Deductions (not "Material") "TAXREC 2"				0		0	
		, ,				154 275		154 275	
Solution	items on which true-up does not apply "TAXREC 3"				154,275		134,273		
State Stat									
SERIOLED INCOME TAX RATE	50	TAXABLE INCOME/ (LOSS)		5,976,525		2,023,431	Before loss C/F	7,999,956	
SERIOLED INCOME TAX RATE 13 38.62% 2.500% 36.12% STA TAX RATES - Regulatory from Table 1; Actual from Table 3 13 38.62% 2.500% 36.12% STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 2.852.085 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 543.951 Actual 0 STA RATES - REGULATORY INCOME TAX 2.308.134 3.308.136 3.308.1	51	,							
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Section Sect			40	20.000/		0.50000/		00.400/	_
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Second S									
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State Stat	56								ı T
14									
Section Sect		Miscellaneous Tax Credits	1/			0	Actual	0	\vdash
Total Regulatory Income Tax		IVIIOUGIIGI IGUUS TAA UTGUIG	14			U	Actual	0	\vdash
STATE STAT									ш
CAPITAL TAXES		Total Regulatory Income Tax		2,308,134		543,951	Actual	2,852,085	Ш
CAPITAL TAXES	61		-						
Same									
February	II) CAPITAL TAXES							\vdash	
Section Sect		nj vin iiraev							\vdash
66 Base		Outside							$\vdash \vdash \vdash$
Form Federal Large Corporations Tax Federal Large Corporatio									ш
Taxable Capital 134,931,166 27,775,771 162,725,851									Ш
Taxable Capital 134,931,166 27,775,771 162,725,851	67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-9,457		4,990,543	L I
68									
To Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.00000% 0.000		'		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,,.,		,,	П
71 Ontario Capital Tax		Pate - Tay Pates - Pegulatory Table 1: Actual Table 2	17	0.20000/		0.00000/		0.20000/	\vdash
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74 Federal Large Corporations Tax 75 Base 18 139,931,166 26,823,131 166,754,297 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 77 Taxable Capital 129,931,166 66,823,131 116,754,297 78 20 0.2250% -0.0250% 0.2000% 80 0 0 0.2000% 0.2000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 20 225,408 -81,498 143,910 85 10 10 10 10 10 86 11) INCLUSION IN RATES 10 10 10 10 10 88 Income Tax Rate used for gross- up (exclude surtax) 37,50% 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10		Ontario Capital Tax		404,793		83,384		488,178	Ш
74 Federal Large Corporations Tax 75 Base 18 139,931,166 26,823,131 166,754,297 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 77 Taxable Capital 129,931,166 66,823,131 116,754,297 78 20 0.2250% -0.0250% 0.2000% 80 0 0 0.2000% 0.2000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 20 225,408 -81,498 143,910 85 10 10 10 10 10 86 11) INCLUSION IN RATES 10 10 10 10 10 88 Income Tax Rate used for gross- up (exclude surtax) 37,50% 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10 10									_ ⅂
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Total Capital		· ·	18	139 931 166		26 823 131		166 754 207	
77 Taxable Capital 129,931,166 66,823,131 116,754,297 78 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000% 80 B1 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 Net LCT 225,408 -81,498 143,910 85 III) INCLUSION IN RATES 36 37,50% 37,50% 37,50%									\vdash
78 20 0.2250% -0.0250% 0.2000% 80 20 0.2250% -0.0250% 0.2000% 80 20 0.2250% -0.0250% 0.2000% 80 20 0.2250% -0.0250% 0.2000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 Net LCT 225,408 -81,498 143,910 85 20 225,408 -81,498 143,910 85 30 37,50% 37,50% 37,50%			19			, ,			$\vdash \vdash$
79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000% 80 20 0.2250% -0.0250% 0.2000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 84 Net LCT 225,408 -81,498 143,910 85 86 11) INCLUSION IN RATES 11 11 86 11) INCLUSION IN RATES 27 27 27 88 10 Income Tax Rate used for gross- up (exclude surtax) 37.50% 37.50% 37.50%		ı axable Capital		129,931,166		66,823,131		116,754,297	ш
80 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83									
80 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83	79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 292,345 -58,837 233,509 82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 — — — — — 84 Net LCT — 225,408 -81,498 143,910 85 — — — — 86 III) INCLUSION IN RATES — — — — 87 — — — — — 88 Income Tax Rate used for gross- up (exclude surtax) 37.50% — — —								, .	
82 Less: Federal Surtax 1.12% x Taxable Income 21 66,937 22,662 89,599 83 But LCT 225,408 -81,498 143,910 85 But LCT 86 But LCT 86 But LCT 86 But LCT 87 But LCT 88 But LCT 87 But LCT 88 But LCT 87 But LCT 87 But LCT 88 But LCT 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599 89,599		Gross Amount of LCT before curtay offset (Tayable Capital v Pate)		202 345		-59 927		233 500	\vdash
83 Net LCT 225,408 -81,498 143,910 85 State of the control of			24						$\vdash \vdash \vdash$
84 Net LCT 225,408 -81,498 143,910 85 III) INCLUSION IN RATES		Less. Federal Sultax 1.12% X Taxable income	Z T	66,937		22,662		89,599	$\vdash \vdash \vdash$
85 III) INCLUSION IN RATES									Ш
85 III) INCLUSION IN RATES		Net LCT		225,408		-81,498		143,910	Ш
86 III) INCLUSION IN RATES									
87		III) INCLUSION IN RATES							
88 Income Tax Rate used for gross- up (exclude surtax) 37.50%									$\vdash \vdash$
		Income Tay Pate used for green up (evalude aunt-u)		07.500/					$\vdash \vdash$
84		income rax reale used for gross- up (exclude surfax)		37.50%					$\vdash \vdash$
	89			<u>I</u>					

	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0 Utility Name: Kitchener-Wilmot Hydro Inc.						Version 2009.1	
	Reporting period: 2004							
8	reporting period. 2004						Column	
9	Days in reporting period:	366	days				Brought	
	Total days in the calendar year:	366	days				From	
11							TAXREC	
12			\$		\$		\$	
13	T ()		0.000.014			1	0.050.005	
	Income Tax (proxy tax is grossed-up) LCT (proxy tax is grossed-up)	22	3,693,014 360,653			Actual 2004 Actual 2004	2,852,085 143,910	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	404,793			Actual 2004 Actual 2004	488,178	
93	Oritano Gapitai Tax (no gross up since it is deductible)	27	404,733			Actual 2004	400,170	
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	4,458,461			Actual 2004	3,484,173	
96	RAM DECISION							
97								
98								
	IV) FUTURE TRUE-UPS				DB//CB/		+	
	IV a) Calculation of the True-up Variance In Additions:				DR/(CR)			
	In Additions: Employee Benefit Plans - Accrued, Not Paid	3			217,309		1	
	Tax reserves deducted in prior year	4			217,309			
	Reserves from financial statements-end of year	4			0		1	
105	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			115,474		1	
	In Deductions - positive numbers Employee Posett Plans - Poid Amounts	n					1	
	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	<u>8</u> 9			0			
	Regulatory Adjustments	10		1	0			
	Interest Adjustment for tax purposes (See Below - cell I206)	11			104,461			
113	Tax reserves claimed in current year	4			0			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans	3			0			
	Contributions to pension plans Other deductions "Material" Items TAXREC	3 12			0			
	Other deductions "Material" Items TAXREC Other deductions "Material" Item TAXREC 2	12			226,571			
119	Other deductions infaterial item TAXINEC 2	12			220,371			
120	Total TRUE-UPS before tax effect	26		=	1,751			
121					,			
	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			х	36.12%			
123								
_	Income Tax Effect on True-up adjustments			=	632			
125	Less: Miscellaneous Tax Credits	14			0			
127	EC33. IVIISCOIIATICOUS TAX OFCUIIS	17			0			
128	Total Income Tax on True-ups				632			
129	·							
	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131	TRUE-UP VARIANCE ADJUSTMENT				972.75			
133	TRUE-OF VARIANCE ADJUSTMENT				912.13			
	IV b) Calculation of the Deferral Account Variance caused by							
	changes in legislation							
135								
. 55	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial						1	
	estimate column)			=	5,976,525			
137							1	
	REVISED CORPORATE INCOME TAX RATE			Х	36.12%		1	
139	REVISED REGULATORY INCOME TAX			=	2,158,721			
141	REVIOLD REGULATORY INVOIVE TAX				2,100,721		+	
142	Less: Revised Miscellaneous Tax Credits			-	0		1	
143								
144	Total Revised Regulatory Income Tax			=	2,158,721		1	
145	Local Populatory Income Tay reported in the Initial Entereds Online (O. II.						1	
1/6	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			_	2,308,134			
146	OOOj			-	2,300,134		+	
	Regulatory Income Tax Variance			=	(149,413)			
149	* ,							
	Ontario Capital Tax							
	Base			=	139,931,166			
	Less: Exemption from tab Tax Rates, Table 2, cell C39 Revised deemed taxable capital		1	-	5,000,000		+	-
153	темоей исептей (ахарте сарнаг			=	134,931,166		1	
	Rate - Tab Tax Rates cell C54			х	0.3000%			
156								
157	Revised Ontario Capital Tax			=	404,793		1	
150	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				404.700			
158 159	Regulatory Ontario Capital Tax Variance		1	=	404,793			
160	rogulatory Oritano Oapitai rax valianoe				U		+	
. 50			i .	1	ı		1	

Piles Pile								1 .	
Pittor DEFERRAL AND VARRANCE ACCOUNTS	_	Α Α	В	С	D	E	F	G	Н
3 TAX CALCULATIONS (TAXCALC) Variance		ITEM					_		
Column C				Estimate				Returns	
Milly Name: Kitchener-Wilmot Hydro Inc. Version 2009.1									
Builty Name: Kitchener-Wilmot Hydro Inc.						K-C	Explanation		
7 Reporting period: 2004 Column 9 Days in reporting period: 368 days Column 9 Days in reporting period: 368 days Recognit 170 Recognition 170 Reco								Version 2009.1	
B Days in reporting period: 366 days									
Body Brought Brought From Total days in the calendar year: 366 days		Reporting period: 2004							
10 Total days in the calendar year: 360 days From TAXREC 12 12 13 13 13 13 13 13									
11				days					
15 15 15 15 15 15 15 15		Total days in the calendar year:	366	days					
13 Faderal LCT								TAXREC	
161 Faderal LCT	12			\$		\$		\$	
180 Base 180,000.000	13								
152 Isses: Exemption from tab Tax Rates. Table 2, cell C40	161	Federal LCT				İ			
164 Revised Federal LCT	162	Base				139,931,166			
164 Revised Federal LCT	163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
165 Rate (as a result of legislative changes) tab Tax Rates cell C51	164	Revised Federal LCT			=				\Box
166 Rate (as a result of legislative change) tab Tax Rates' cell C51						,,			
167		Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			\vdash
179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.862 179.86377 179.862 179.862 179.86377 179.862		, ,				0.20076			\vdash
169 Isss: Federal surtax -	_	Gross Amount				179.862			+
170 Revised Net LCT					+ -				+
171 172 uss: Federal LCT reported in the initial estimate column (Cell C82) - 225.408									\vdash
172 Isses: Federal LCT reported in the initial estimate column (Ceil C82) - 225,408		INEVISED INELECT			 -	112,323			+-
173 Regulatory Federal LCT Variance = (112,483)		Loss: Fodoral I CT reported in the initial estimate column (Cell C92)				225 409			
175 Actual Income Tax Rate used for gross-up (exclude surtax) 35,00% 176 177 Income Tax (grossed-up) + (229,866) 178 LCT (grossed-up) + (173,050) + (173,050) 179 LCT (grossed-up) + (173,050) + (173,050) 180					_				+
175 Actual Income Tax Rate used for gross-up (exclude surtax)		Regulatory Federal LCT Variance			-	(112,403)			+
176		A street transport Terr Determined for some or (such also sometime)				05.000/			
177 Income Tax (grossed-up)		Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			-
178 LCT (grossed-up)	_					(000 000)			
179 Ontario Capital Tax						\ ' '			
180						1			
181 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT		Ontario Capital Tax			+	0			
182									
183 TRUE-UP VARIANCE (from cell H32)		DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-402,916.79			
184	_								
Total Deferral Account Entry (Positive Entry = Debit)		TRUE-UP VARIANCE (from cell I132)			+	972.75			
186 (Deferral Account Variance + True-up Variance)	184								
187	185				=	-401,944.04			
187	186	(Deferral Account Variance + True-up Variance)							
189 V INTEREST PORTION OF TRUE-UP	187								
190 V) INTEREST PORTION OF TRUE-UP	188								
190 V) INTEREST PORTION OF TRUE-UP	189								
191 Variance Caused By Phase-in of Deemed Debt 192 193 Total deemed interest (REGINFO) 5,387,350 194 195 195 196 Variance due to phase-in of debt component of MARR in rates 1,086,067 197 1,086,067 198 199 1	_	V) INTEREST PORTION OF TRUE-UP							
193									
193 Total deemed interest (REGINFO) 5,387,350 194 Interest phased-in (Cell C36) 4,301,283 195 195 196 197 according to the Board's decision 1,086,067 198 199 Other Interest Variances (i.e. Borrowing Levels 1,080 198 199	192	,							\vdash
194 Interest phased-in (Cell C36)	_	Total deemed interest (REGINFO)				5,387,350			\Box
195 196 Variance due to phase-in of debt component of MARR in rates 1,086,067 197 according to the Board's decision 1 198 Uther Interest Variances (i.e. Borrowing Levels 1 200 Above Deemed Debt per Rate Handbook) 2 201 Interest deducted on MoF filing (Cell K36+K41) 5,491,811 202 Total deemed interest (REGINFO CELL D61) 5,387,350 203 203 104,461 204 Variance caused by excess debt 104,461 205 206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 104,461 207 208 Total Interest Variance 981,606 209 210									\Box
198						.,55.,200			\vdash
197 according to the Board's decision	_	Variance due to phase-in of debt component of MARR in rates				1 086 067			\vdash
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) 5,491,811 202 Total deemed interest (REGINFO CELL D61) 5,387,350 203 104,461 204 Variance caused by excess debt 104,461 205 104,461 207 104,461 208 Total Interest Variance 981,606 209 210						1,000,007			\vdash
199 Other Interest Variances (i.e. Borrowing Levels		according to the board's accision							\vdash
200 Above Deemed Debt per Rate Handbook)		Other Interest Variances (i.e. Berrowing Levels							\vdash
Interest deducted on MoF filing (Cell K36+K41) 5,491,811 5,491,811 5,387,350 5,3									\vdash
202 Total deemed interest (REGINFO CELL D61)						5 /01 911			\vdash
203 204 Variance caused by excess debt 205 206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 207 208 Total Interest Variance 209 210									\vdash
204 Variance caused by excess debt 104,461		rotal deemed interest (KEGINFO CELL D6T)				5,387,350			\vdash
205		Variance council by every debt				404 404			\vdash
206 Interest Adjustment for Tax Purposes (carry forward to Cell I112)		variance caused by excess debt				104,461			\vdash
207 208 Total Interest Variance 981,606 209 210		LA CARLO AND TO BOOK A CONTROL OF THE PARTY				404.404			\vdash
208 Total Interest Variance 981,606 209		Interest Adjustment for Tax Purposes (carry forward to Cell I112)				104,461			\sqcup
209 210									\perp
210		Total Interest Variance				981,606			ш
210 211									\sqcup
211]	210								ш
	211								

Pits TAKES En-Bodie Aff		Λ	В	С	D	Е	F
TAX Comment 1	A PILs TAXES - EB-2008-381					Г	
Section Sect							
Section A. Mentification:							
8 Section A. Identification: 9 Reporting perfect: 2004 11 Number of days in issaid on year: 12 Please areter the Materiality Level: 13 Please areter the Materiality Level: 14 Please areter the Materiality Level: 15 Please areter the Materiality Level: 16 Carety Section 1		0		Return			
7 Utility Name: Kitchenser-Wilmost Bytro Inc.						Version 2009.1	
Reporting period: 2004	_						
Taxation Year's and attace:		·					
10 Taxation Year's end date: 366							
11 Number of days in taxation year:							
Please enter the Materiality Level :				366	dave		
13 Please enter the Materiality Level		rumber of days in taxation year.		300	days		
14 10, 235% x Red Sase x CER	_	Please enter the Materiality Level :		0	< - enter materiality	level	
10 Does the utility carry on non-wise related operation? YN	_		Y/N		,		
17 Does the utility carry on non-wires related operation? Y.N.	15						
18 Please complete the questionnaire in the Background questionnaire worksheet.							
Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K							
20 Note: Carry forward Wires-only Data to Tab TAXCALC* Column K		(Please complete the questionnaire in the Background questionnaire w	orkshe	et.)			
23 Section B: Financial statements data:		Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
22 Section B. Financial statements data:		Trote. Carry forward Wires-Only Data to Tab TANOALO COldmit K					
23 Typo transcriptional framework is alterment data submitted with Tax returns.		Section B: Financial statements data:					
25		Input unconsolidated financial statement data submitted with Tax returns.					
Pease enter the non-wire operation's amount as a positive number, the program automatically treats all amounts	24						
27 Please enter the non-wire operation's amount as a positive values in TAXREC and TAXREC.		If required please change the descriptions except for amortization, interest e	expense	and provision for in	come tax		
28							
Total Other Before Interest & Income Paris Seption					ı amounts		
10		in the non-wires elimination column" as negative values in TAXREC and TA	AXKECZ	<i>د.</i>			
1		Income:					
32 Distribution Revenue			+	127 326 094		127 326 094	
33 Miscellaneous income		07					
158,966,423 158,966,423				, ,			
36 Revenue should be entered above this line	34	Miscellaneous income	+				
37 38 Costs and Expenses:	35		+	158,966,423		158,966,423	
38 Costs and Expenses:		Revenue should be entered above this line					
127,326,094 127,326,195 127,495,195	_						
Administration - 2,632,714 2,532,714 2,532,714 2,008,837 2,408,835 3,045,955 3,045,9				107.000.001		407.000.004	
Customer billing and collecting							
2	_			, ,			
Amortization -				, ,			
Property & Capital Tax es							
1			-				
1	45	Interest expense not subject to clawback	-	90,014		90,014	
148			-			0	
49	_						
Section C: Reconcilitation of accounting income to taxable income.			-			0	
Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income to taxable income (loss) Section C: Reconciliation of accounting income	_	Not Income Defere Interest 9 Income Toyon FDIT		40 400 704	0	40 400 704	
Provision for payments in lieu of income taxes - 3,022,443 4,022,443	_				0		
State Income (loss)	_						
The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)	_				0		
Section C: Reconciliation of accounting income to taxable income	٣	(The Net Income (loss) on the MoF column should equal to the net income (loss) per		2,300,027		-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Section C: Reconciliation of accounting income to taxable income From T2 Schedule 1		financial statements on Schedule 1 of the tax return.)					
From T2 Schedule 1							
Second Content							
59 Provision for income tax + 3,022,443 0 3,022,443 60 Federal large corporation tax + 0 0 0 61 Depreciation & Amortization + 8,562,154 0 8,562,154 62 Employee benefit plans-accrued, not paid + 220,616 0 220,616 63 Tax reserves - beginning of year + 0 0 0 64 Reserves from financial statements- end of year + 0 0 0 67 Regulatory adjustments on which true-up may apply (see A66) + 0 0 68 Items on which true-up does not apply "TAXREC 3" 170,645 170,645 67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 0 70 Subtotal 12,091,332 0 12,091,332 0 12,091,332 71 Other Additions: (Please explain the nature of the additions) <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Federal large corporation tax			+	3 022 4/3	0	3 022 443	
Depreciation & Amortization	_			, ,	0	0,022,440	
62 Employee benefit plans-accrued, not paid + 220,616 0 220,616 63 Tax reserves - beginning of year + 0 0 0 64 Reserves from financial statements- end of year + 0 0 0 55 Regulatory adjustments on which true-up may apply (see A66) + 0 0 66 Items on which true-up does not apply "TAXREC 3" 170,645 170,645 67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 0 69 Subtotal 12,091,332 0 12,091,332 0 12,091,332 70 Subtotal 12,091,332 0 12,091,332 0 12,091,332 71 Subtotal + 0 0 0 0 0 73 Recapture of CCA + 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	61	Depreciation & Amortization		8,562,154	0	8,562,154	
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 0 0 66 Items on which true-up does not apply "TAXREC 3" 170,645 170,645 170,645 67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 Subtotal 12,091,332 0 12,091,332 70 Subtotal 12,091,332 0 12,091,332 72 Other Additions: (Please explain the nature of the additions) - - 0 73 Recapture of CCA + 0 0 74 Non-deductible meals and entertainment expense + 0 0 75 Capital items expensed + 0 0 76 + 0 0 0 78 + 0 0 0	62	Employee benefit plans-accrued, not paid	+	220,616	0		
65 Regulatory adjustments on which true-up may apply (see A66) + 0 66 Items on which true-up does not apply "TAXREC 3" 170,645 170,645 67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 - - 0 0 0 70 Subtotal 12,091,332 0 12,091,332 71 - - - 0 - 72 Other Additions: (Please explain the nature of the additions) - - 0 - 73 Recapture of CCA + 0 0 - 74 Non-deductible meals and entertainment expense + 0 0 76 + 0 0 0 77 + 0 0 0 78 + 0 0 0 79 + 0 0 0	63	Tax reserves - beginning of year					
66 Items on which true-up does not apply "TAXREC 3" 170,645 170,645 67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 Subtotal 12,091,332 0 12,091,332 70 Subtotal 12,091,332 0 12,091,332 71 Taxage of the additions (Please explain the nature of the additions) - - 0 73 Recapture of CCA + 0 0 74 Non-deductible meals and entertainment expense + 0 0 75 Capital items expensed + 0 0 0 76 + 0 0 0 0 0 78 + 0 0 0 0 0 79 + 0 0 0 0 0 80 Total Other Additions = 0 0 0 0 0 81 Total Additions = 12,091,332 <t< td=""><td></td><td></td><td></td><td>0</td><td>0</td><td></td><td></td></t<>				0	0		
67 Material addition items from TAXREC 2 + 115,474 0 115,474 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 - - 0 0 0 70 Subtotal 12,091,332 0 12,091,332 0 12,091,332 71 - - 0 <t< td=""><td></td><td></td><td>+</td><td>4=0.0:-</td><td></td><td>-</td><td></td></t<>			+	4=0.0:-		-	
68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 12,091,332 0 12,091,332 70 Subtotal 12,091,332 0 12,091,332 71 Other Additions: (Please explain the nature of the additions) - - 73 Recapture of CCA + 0 74 Non-deductible meals and entertainment expense + 0 75 Capital items expensed + 0 76 + + 0 0 77 - + 0 0 78 - + 0 0 79 - + 0 0 80 Total Other Additions = 0 0 0 81 - - 12,091,332 0 12,091,332							
69 12,091,332 0 12,091,332 70 Subtotal 12,091,332 0 12,091,332 72 Other Additions: (Please explain the nature of the additions)							
70 Subtotal 12,091,332 0 12,091,332 71 Other Additions: (Please explain the nature of the additions) 0 73 Recapture of CCA + 0 74 Non-deductible meals and entertainment expense + 0 75 Capital items expensed + 0 76 + 0 0 77 + 0 0 78 + 0 0 79 + 0 0 80 Total Other Additions = 0 0 0 81 = 0 0 12,091,332 0 12,091,332	_	Other audition items (not inaterial) from TAXREC 2	+	0	0	0	
71 72 Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA + 0 74 Non-deductible meals and entertainment expense + 0 75 Capital items expensed + 0 76 + 0 0 77 + 0 0 78 + 0 0 79 + 0 0 80 Total Other Additions = 0 0 0 81 - 12,091,332 0 12,091,332		Subtotal		12 091 332	0	12 091 332	
72 Other Additions: (Please explain the nature of the additions) 0 73 Recapture of CCA + 0 74 Non-deductible meals and entertainment expense + 0 75 Capital items expensed + 0 76 + 0 0 77 + 0 0 78 + 0 0 79 + 0 0 80 Total Other Additions = 0 0 0 81 - 12,091,332 0 12,091,332		Substituti.		12,001,002	0	12,001,002	
73 Recapture of CCA + 0 74 Non-deductible meals and entertainment expense + 0 75 Capital items expensed + 0 76 + 0 0 77 + 0 0 78 + 0 0 79 + 0 0 80 Total Other Additions = 0 0 0 81 - 0 0 0 82 Total Additions = 12,091,332 0 12,091,332		Other Additions: (Please explain the nature of the additions)					
75 Capital items expensed + 0 0 76 + 0 0 77 + 0 0 78 + 0 0 80 Total Other Additions = 0 0 0 81 = 0 0 0 0 82 Total Additions = 12,091,332 0 12,091,332	73	Recapture of CCA	+				
76 + 0 0 77 + 0 78 + 0 79 + 0 80 Total Other Additions = 0 0 0 81 = 0 0 1 82 Total Additions = 12,091,332 0 12,091,332	74	Non-deductible meals and entertainment expense	+				
77 + 0 78 + 0 79 + 0 80 Total Other Additions = 0 0 0 81 0 0 0 0 0 82 Total Additions = 12,091,332 0 12,091,332	_	Capital items expensed					
78 + 0 79 + 0 80 Total Other Additions = 0 0 0 81 = 12,091,332 0 12,091,332				0			
79 + 0 80 Total Other Additions = 0 0 0 81 = 12,091,332 0 12,091,332 82 Total Additions = 12,091,332 0 12,091,332							
80 Total Other Additions = 0 0 0 81 82 Total Additions = 12,091,332 0 12,091,332							
81 82 Total Additions = 12,091,332 0 12,091,332		Total Other Additions		0	0		
82 Total Additions = 12,091,332 0 12,091,332		. otal Other Haditions	_	0	0	0	
		Total Additions	=	12,091,332	0	12,091,332	

Pints PARSES - B2-000-391 Tax		A	В	С	D	E	F
Tax Tax	1						-
Tax	_		LINE				
A Recogn Material Additions:					Liiiiiiations		
Second Material Additions:						Ketuiii	
Section				Retuili		Version 2009 1	
10	_	Pagen Material Additional				Version 2009.1	
Beautiful		Recap iviaterial Additions.		0	0	0	
88							
88 0							
88 S							
98 1							
Total Cither additions s-materially level							
Section Sect							
10	_						
Section Sect							
Section							
Section Control Cont		Total Other Additions		0	0	0	
20 Completion beginned to regulatory upproses - 7,000,057 7,000,057 0 0 0 0 0 0 0 0 0							
Section							
10	97	Capital cost allowance	-	7,600,057		7,600,057	
100 Imagilated for regulatory purposes	98	Cumulative eligible capital deduction	-			0	
101 Regulatory adjustments .	99	Employee benefit plans-paid amounts	-			0	
102 CCA	100	Items capitalized for regulatory purposes	-			0	
102 CCA	101	Regulatory adjustments :	-			0	
103 other deductions			-			0	
101 Tax reserves - end of year			-				
105 Reserves from financial statements- beginning of year - 0 0 0 0 0 0 0 0 0			-	0	0		
100			-				
107 Contributions to pension plans -				O O			
108 Interest capitalized for accounting deducted for tax			-				
109 Interest capitalized for accounting deuted for tax				15/1 275	0		
110 Material deduction items from TAXREC 2 - 0 0 0 0 0 0 0 0 0				104,210	U	104,275	
111 Other deduction items (not Material) from TAXREC 2				000 571		000.554	
112						,	
113	_	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
114 Other deductions (Please explain the nature of the deductions)							
115 Charitable donations - tax basis			=	7,980,903	0	7,980,903	
116 Gain on disposal of assets	_						
117			-				
118		Gain on disposal of assets	-				
119	117		-			0	
Total Other Deductions	118					0	
121	119		-			0	
Total Deductions	120	Total Other Deductions	=	0	0	0	
123	121						
123	122	Total Deductions	=	7.980.903	0	7.980.903	
125	123			, ,		, ,	
125	124	Recap Material Deductions:					
127				0	0	0	
127	126			0	0	0	
128				0	0	0	
129							
130 Total Other Deductions exceed materiality level 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
131 Other Deductions less than materiality level 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	_						
132 Total Other Deductions							
133							
134 TAXABLE INCOME				U	0	U	
135 DEDUCT:		TAXABLE INCOME	_	7 900 056	0	7 900 056	
136 Non-capital loss applied positive number - 0 0 0 0 0 0 0 0 0			-	1,555,550	U	1,333,330	
137 Net capital loss applied positive number -			_	0		0	
138	_			U			
139 NET TAXABLE INCOME	_	ττοι σαρικαι 1000 αρριισα <u>ρυσικίνε παίπθε</u> ι	-				
140		NET TAYABI E INCOME		7,000,050	2		
141 FROM ACTUAL TAX RETURNS + 1,758,561 0 1,758,561 142 Net Federal Income Tax (Must agree with tax return) + 1,093,524 0 1,093,524 143 Net Ontario Income Tax (Must agree with tax return) + 1,093,524 0 2,852,085 144 Subtotal = 2,852,085 0 2,852,085 145 Less: Miscellaneous tax credits (Must agree with tax returns) - 0 0 0 0 0 146 Total Income Tax = 2,852,085 0 2,852,085 147 - 0 0 0 2,852,085 0 2,852,085 148 FROM ACTUAL TAX RETURNS - 0 0 0 2,852,085 149 Net Federal Income Tax Rate (Must agree with tax return) 22.12% 22.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 14,00% 14,00% 151 Blended Income Tax Rate 36.12% 36.12% 152 - 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	_		=	008,888,1	0	वेटस,सहस्र, १	
142 Net Federal Income Tax (Must agree with tax return) + 1,758,561 0 1,758,561 143 Net Ontario Income Tax (Must agree with tax return) + 1,093,524 0 1,093,524 144 Subtotal = 2,852,085 0 2,852,085 145 Less: Miscellaneous tax credits (Must agree with tax returns) - 0 0 146 Total Income Tax = 2,852,085 0 2,852,085 147 - - 0 - - 0 148 FROM ACTUAL TAX RETURNS - <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
143 Net Ontario Income Tax (Must agree with tax return) + 1,093,524 0 1,093,524 144 Subtotal = 2,852,085 0 2,852,085 145 Less: Miscellaneous tax credits (Must agree with tax returns) - 0 0 0 146 Total Income Tax = 2,852,085 0 2,852,085 147 - - - - - 148 FROM ACTUAL TAX RETURNS -				4.750.504		4.750.504	
144 Subtotal = 2,852,085 0 2,852,085 145 Less: Miscellaneous tax credits (Must agree with tax returns) - 0 0 146 Total Income Tax = 2,852,085 0 2,852,085 147 - - 0 2,852,085 148 FROM ACTUAL TAX RETURNS -							
145 Less: Miscellaneous tax credits (Must agree with tax returns) - 0 0 146 Total Income Tax = 2,852,085 0 2,852,085 147 - - 0 2,852,085 148 FROM ACTUAL TAX RETURNS -	_						
146 Total Income Tax = 2,852,085 0 2,852,085 147	_				0		
147 148 FROM ACTUAL TAX RETURNS 149 Net Federal Income Tax Rate (Must agree with tax return) 22.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 14.00% 151 Blended Income Tax Rate 36.12% 152 36.12% 153 Section F: Income and Capital Taxes 154 4 155 RECAP 156 Total Income Taxes 4 157 Ontario Capital Tax 4 158 Federal Large Corporations Tax 4 159 488,178 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 143,910 150 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>							
148 FROM ACTUAL TAX RETURNS 149 Net Federal Income Tax Rate (Must agree with tax return) 22.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 14.00% 151 Blended Income Tax Rate 36.12% 152 36.12% 153 Section F: Income and Capital Taxes 154 4 155 RECAP 156 Total Income Taxes + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 160 Total income and capital taxes = 3,484,173 0 3,484,173		Total Income Tax	=	2,852,085	0	2,852,085	
149 Net Federal Income Tax Rate (Must agree with tax return) 22.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 14.00% 151 Blended Income Tax Rate 36.12% 152 36.12% 153 Section F: Income and Capital Taxes 56 155 RECAP 156 157 157 Ontario Capital Tax + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 160 Total income and capital taxes = 3,484,173 0 3,484,173							
150 Net Ontario Income Tax Rate (Must agree with tax return) 14.00% 14.00% 151 Blended Income Tax Rate 36.12% 36.12% 152 153 Section F: Income and Capital Taxes 154 155 RECAP 156 Total Income Taxes 157 Ontario Capital Tax 488,178 488,178 158 Federal Large Corporations Tax 143,910 143,910 159 160 Total income and capital taxes 3,484,173 0 3,484,173							
151 Blended Income Tax Rate 36.12% 152 36.12% 153 Section F: Income and Capital Taxes 55 154 55 155 RECAP 156 Total Income Taxes 0 157 Ontario Capital Tax 4 158 Federal Large Corporations Tax 4 159 143,910 160 Total income and capital taxes = 36.12% 36.12% 36.12% 36.12% 4 4 4 2,852,085 9 2,852,085 157 143,910 158 143,910 159 3,484,173							
152							
153 Section F: Income and Capital Taxes 154		Blended Income Tax Rate		36.12%		36.12%	
154 155 RECAP 156 Total Income Taxes + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 - - - 160 Total income and capital taxes = 3,484,173 0 3,484,173							
155 RECAP 156 Total Income Taxes + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 - - - 3,484,173 0 3,484,173 160 Total income and capital taxes = 3,484,173 0 3,484,173	153	Section F: Income and Capital Taxes					
156 Total Income Taxes + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 - - 3,484,173 0 3,484,173	154						
156 Total Income Taxes + 2,852,085 0 2,852,085 157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 - - 3,484,173 0 3,484,173	155	RECAP					
157 Ontario Capital Tax + 488,178 488,178 158 Federal Large Corporations Tax + 143,910 143,910 159 - - 3,484,173 0 3,484,173 160 Total income and capital taxes = 3,484,173 0 3,484,173	156	Total Income Taxes	+	2,852,085	0	2,852,085	
158 Federal Large Corporations Tax + 143,910 143,910 159 -	157	Ontario Capital Tax	+				
159 160 Total income and capital taxes = 3,484,173 0 3,484,173							
160 Total income and capital taxes = 3,484,173 0 3,484,173						,	
			- 1	3.484.173	0	3.484.173	
	161			2, .2 ., 0		2, .0 ., . 7 0	

PILLS TAXES - EB-2008-381		A	В	С	D	E	F
Tax Accounting Reserves Corporate Eliminations Tax Tax 4 (lor wires-only' business - see s. 72 OEB Act) Return	1		_				'
For MoF Column of TAXCALC Tax Return			LINE				
Return Version 2009.1					EIIIIIIIIalions		
Section Sect	_					Ketum	
				Retuin		Version 2000 1	
7. Utility Name: Kitchener-Wilmot Hydro Inc.						Version 2009.1	
8 Reporting period: 2004 9 10 TAX RESERVES 11 12 Beginning of Year: 13 14 Reserve for doubtful accounts ss. 20(1)(0) 15 Reserve for goods & services ss. 20(1)(m) 16 Reserve for unpaid amounts ss. 20(1)(m) 16 Reserve for unpaid amounts ss. 20(1)(m) 10 Other - Please describe 11 Other - Please describe 12 Other - Please describe 13 Other - Please describe 14 Other - Please describe 15 Other - Please describe 16 Other - Please describe 17 Other - Please describe 18 Other - Please describe 19 Other - Please describe 10 Other - Pleas	_	Hility Name, Kitchener Wilmet Hydre Inc					
10 TAX RESERVES		Paparting pariod: 2004					
10 TAX RESERVES		Reporting period. 2004					
11 2 Beginning of Year:		TAY DESERVES					
12 Beginning of Year:		TAX NEGERVES					
13 Reserve for doubtful accounts ss. 20(1)(ii) 0 0 15 Reserve for goods & services ss. 20(1)(iii) 0 0 0 15 Reserve for unpaid amounts ss. 20(1)(iii) 0 0 0 0 17 Debt and share issue expenses ss. 20(1)(iii) 0 0 0 0 0 0 0 0 0		Reginning of Vear					
14 Reserve for doubtful accounts ss. 20(1)(m) 0 0 15 Reserve for poods & services ss. 20(1)(m) 0 0 16 Reserve for unpaid amounts ss. 20(1)(m) 0 0 0 17 Debt and share issue expenses ss. 20(1)(e) 0 0 0 0 19 Other - Please describe 0 0 0 0 0 0 0 0 0		beginning of Tear.				0	
15 Reserve for uppaid amounts ss.20(1)(m)		Reserve for doubtful accounts ss. 20(1)(I)					
16 Reserve for unpaid amounts ss.20(1)(n)							
17 Debt and share issue expenses s.20(1)(e) 0 0 0 0 0 0 0 0 0							
18 Other - Please describe							
20							
21	19	Other - Please describe				0	
21							
23						0	
23	22	Total (carry forward to the TAXREC worksheet)		0	0	0	
25 Reserve for doubtful accounts ss. 20(1)(l)							
Reserve for doubtful accounts ss. 20(1)(n) 0 0 27 Reserve for goods & services ss. 20(1)(m) 0 0 0 0 0 0 0 0 0		End of Year:					
27 Reserve for goods & services ss.20(1)(m)							
28 Reserve for unpaid amounts ss.20(1)(n) 0 29 Debt and share issue expenses ss.20(1)(e) 0 31 Other - Please describe 0 31 Other - Please describe 0 32 0 33 Insert line above this line 0 34 Insert line above this line 0 35 Total (carry forward to the TAXREC worksheet) 0 0 36 0 37 3 38 FINANCIAL STATEMENT RESERVES 0 39 0 40 Beginning of Year: 0 41 0 42 Environmental 0 43 Environmental 0 44 Allowance for doubtful accounts 0 45 Inventory obsolescence 0 46 Property taxes 0 47 Other - Please describe 0 48 Other - Please describe 0 49 0 50 Total (carry forward to the TAXREC worksheet) 0 50 Total (carry forward to the TAXREC worksheet) 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence						0	
29 Debt and share issue expenses ss.20(1)(e) 0 0 0 0 0 0 0 0 0						0	
30 Other - Please describe 0 0 32 0 0 33 0 0 0 0 34 Insert line above this line 0 0 0 0 0 0 0 0 0							
Other - Please describe O O O O O O O O O							
32 0 0 0 0 0 0 0 0 0							
33 Insert line above this line		Other - Please describe					
1							
Total (carry forward to the TAXREC worksheet)						0	
36 37 38 FINANCIAL STATEMENT RESERVES 39 40 Beginning of Year:	_						
37		Total (carry forward to the TAXREC worksheet)		0	0	0	
38 FINANCIAL STATEMENT RESERVES							
39		FINANCIAL OTATEMENT DECERVES					
40 Beginning of Year:		FINANCIAL STATEMENT RESERVES					
41		Designing of Veer					
42		Beginning of Year:				0	
43 Environmental 0 44 Allowance for doubtful accounts 0 45 Inventory obsolescence 0 46 Property taxes 0 47 Other - Please describe 0 48 Other - Please describe 0 49 0 0 50 Total (carry forward to the TAXREC worksheet) 0 0 51 0 0 0 52 End of Year: 0 0 53 0 0 0 54 0 0 0 55 Environmental 0 0 56 Allowance for doubtful accounts 0 0 57 Inventory obsolescence 0 0 58 Property taxes 0 0 59 Other - Please describe 0 0 60 Other - Please describe 0 0 61 0 0 0 63 Total (carry forward to the TAXREC worksheet) 0 0 0							
44 Allowance for doubtful accounts 0 45 Inventory obsolescence 0 46 Property taxes 0 47 Other - Please describe 0 48 Other - Please describe 0 49 0 50 Total (carry forward to the TAXREC worksheet) 0 0 51 0 52 End of Year: 0 0 54 0 0 55 Environmental 0 0 56 Allowance for doubtful accounts 0 0 57 Inventory obsolescence 0 0 59 Other - Please describe 0 0 60 Other - Please describe 0 0 61 0 0 0 62 Insert line above this line 0 0 63 Total (carry forward to the TAXREC worksheet) 0 0	_	Environmental					
45 Inventory obsolescence 0 46 Property taxes 0 47 Other - Please describe 0 48 Other - Please describe 0 49 0 50 Total (carry forward to the TAXREC worksheet) 0 51 0 52 End of Year: 0 53 0 54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 Other - Please describe 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0							
46 Property taxes 0 47 Other - Please describe 0 48 Other - Please describe 0 49 0 50 Total (carry forward to the TAXREC worksheet) 0 51 0 52 End of Year: 0 53 0 54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 Environmental 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0							
47 Other - Please describe 0 48 Other - Please describe 0 49							
48 Other - Please describe 0 49 0 50 Total (carry forward to the TAXREC worksheet) 0 51 0 52 End of Year: 0 53 0 54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 Insert line above this line 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0							
49 0 0 0 50 Total (carry forward to the TAXREC worksheet) 0 0 51 0 0 52 End of Year: 0 53 0 0 54 0 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0							
50 Total (carry forward to the TAXREC worksheet) 0 0 0 51							
51 52 End of Year: 0 53 0 0 54 0 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0		Total (carry forward to the TAXREC worksheet)		0	0		
52 End of Year: 0 53 0 54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0		, , , , , , , , , , , , , , , , , , , ,					
53 0 54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0		End of Year:					
54 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61						0	
56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0						0	
57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61						0	
58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61	56	Allowance for doubtful accounts				0	
59 Other - Please describe 0 60 Other - Please describe 0 61 Insert line above this line 0 62 Insert (carry forward to the TAXREC worksheet) 0 0							
60 Other - Please describe 0 61 Insert line above this line 0 62 Insert (carry forward to the TAXREC worksheet) 0 0							
61 0 0 0 0 62 Insert line above this line 0 0 0 0 0 0 0 0							
62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet) 0 0 0	_	Other - Please describe					
63 Total (carry forward to the TAXREC worksheet) 0 0 0						0	
64		Total (carry forward to the TAXREC worksheet)		0	0	0	
	64						

	A	В	С	D	E	F
1						
	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3 4	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
	RATEPAYERS ONLY		Return		Return	
6	Shareholder-only Items should be shown on TAXREC 3		retuin		Version 2009.1	
7						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2004					
	Number of days in taxation year:		366			
11	Materiality Level:		0			
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
	Add:					
17		+			0	
	Gain on sale of eligible capital property Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
	Taxable capital gains	+			0	
22		+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
	Capitalized interest Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
	Provision for bad debts	+	115,474		115,474	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
42		+			0	
43		+			0	
44		+			0	
45	T + 1 + 1 Pd	+	445.454			
46 47	Total Additions	=	115,474	0	115,474	
	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53 54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59 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 67	Provision for bad debts		115.474	0	115 474	
68	FIOVISION NOT DECISE		115,474 0	0	115,474 0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73 74			0	0	0	
74			0	0	0	

	A	В	С	D	E I	F
1		0	J	U	L .	
	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return		rtotum	
6	Shareholder-only Items should be shown on TAXREC 3		11010111		Version 2009.1	
7						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2004					
	Number of days in taxation year:		366			
	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		115,474	0	115,474	
78	Other additions less than materiality level		0	0	0	
	Total Additions		115,474	0	115,474	
80						
	Deduct:					
82	Gain on disposal of assets per f/s	- 1	35,377		35,377	
	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	- 1			0	
87	Bad debts	-	191,194		191,194	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	- 1			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-	0		0	
97	<u> </u>	-			0	
98		-			0	
	Total Deductions	=	226,571	0	226,571	
100						
	Recap of Material Deductions:					
	Gain on disposal of assets per f/s		35,377	0	35,377	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	U	
	Bad debts		191,194	0	191,194	
108 109			0	0	0	
110 111			0	0	0	
			0	0	0	
112 113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
	Total Deductions exceed materiality level		226,571	0	226,571	
	Other deductions less than materiality level		220,371	0	0	
	Total Deductions		226,571	0	226,571	
122	Total Doddollono		220,071	- 0	220,071	
144						

	A	В	С	D	Е	F
1	A	Ь	C	U U	E	Г
	PILs TAXES - EB-2008-381					
	TAX RETURN RECONCILIATION (TAXREC 3)					
		LINE	M of F	Non-wires	Wires enly	
4	Shareholder-only Items should be shown on TAXREC 3	LINE	-		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: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18	. 1919					
	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
	Loss from joint ventures or partnerships	+			0	
	Deemed dividend income	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets	+		20,731	-20,731	
	Loss on disposal of non-utility assets	+		20,701	0	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+			0	
	Non-deductible meals	+	16,445		16,445	
	Non-deductible club dues	+	10,440		0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books		154,200		154,200	
	Interest and penalties on unpaid taxes		134,200		134,200	
	Management bonuses unpaid after 180 days of year end				0	
	Ontario capital tax adjustments				0	
39	Ontario Sapitar tax adjustinonts	+			0	
	Changes in Regulatory Asset balances	+			0	
	Imputed interest expense on Regulatory Assets	+			0	
42	The state of the s	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Other Additions. (piedse explain in detail the hatare of the item)	+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	170,645	20,731	149,914	
48	Total Additions on Whom true up does not uppri		170,010	20,701	110,011	
	Deduct:					
50		+				
	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs	-			0	
	Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-	154,200		154,200	
58	Income from joint ventures or partnerships	-	104,200		0	
59		-			0	
	Ontario capital tax adjustments to current or prior year	-	75		75	
61	ontaino supitai tax aujustinento to current or prior year	-	73		0	
-	Changes in Regulatory Asset balances	-			0	
63	onangoo in Negalatory Asset Palances	-			0	
	Assessment Notice	-			0	
65	A GOOGGING IN THOUGH	-			0	
66		+ -			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	outor academons. It rease explain in detail the nature of the item)	-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	-	154,275	0		
74	rotal Deductions on which true-up does not apply	+=	134,275	U	104,275	
75						
73					<u> </u>	

A PILs TAXES - EB-20	B 08-381	С	D	E	F
Corporate Tax Rates				٧	ersion 2009.1
Exemptions, Deduct		ds		•	
Utility Name: Kitche		Inc.			
Reporting period: 2	004				
-					T-1-1-4
Rates Used in 2002	DAM DIL e Applies	tions for 2002)		Table 1
Income Range	TAIN FILS Applica	0		200,001	
RAM 2002		to		to	>700000
	Year	200,000		700,000	
Income Tax Rate					
Proxy Tax Year	2002				
Federal (Includes su		13.12%		26.12%	26.12%
and Ontario blende	d	6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax	MAX				
Exemption **	\$5MM	5,000,000			
Federal Large	MAX				
Corporations Tax	\$10MM	10,000,000			
Exemption **	·		Daarid		0 D 4 14
**Exemption amo	ounts must agr	ee with the	oarα-app	rovea 200	Z KAW
PILs filing					
-					Table 2
Expected Income Ta	x Rates for 2004 a	and Capital Ta	x Exemption	s for 2004	
Income Range		0	250,001	400,001	
Expected Rates		to	to	to	>1,128,000
	Year	250,000	400,000	1,128,000	
Income Tax Rate	2004				
Current year Federal (Includes su	2004 (rtax) 2004	13.12%	22.12%	22.12%	22.12%
Ontario	2004 2004	5.50%	5.50%	9.75%	14.00%
Blended rate	2004	18.62%	27.62%	31.87%	36.12%
2.0		1010=10			0011270
Capital Tax Rate	2004	0.300%			
LCT rate	2004	0.200%			
Surtax	2004	1.12%			
Ontario Capital Tax	MAX	5,000,000			
Exemption *** 2004	\$5MM	0,000,000			
Federal Large	MAX	50 000 000			
Corporations Tax Exemption *** 2004	\$50MM	50,000,000			
***Allocation of e	vemptions mu	et comply w	ith the Ro	ard'e inetr	ructions
regarding regula		or combin M	inai ale DO	u. u 3 1113ti	aduona
	.ou dollyilles.				-
	m Hilitula Astrol	2004 Toy D-4	urne		Table 3
Input Information for	an ounty's Actual	0 0	urns 250,001	400,001	
			200,001	,	>1,128,000
Income Range		-	to	to	
Input Information fro Income Range	Year	to 250,000	to 400,000	to 1,128,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Income Range		to			
Income Range Income Tax Rate Current year	Year 2004	to			
Income Range Income Tax Rate Current year Federal (Includes su	Year 2004	to 250,000	400,000 22.12%	1,128,000 22.29%	22.12%
Income Range Income Tax Rate Current year Federal (Includes su Ontario	Year 2004	to 250,000 13.12% 5.50%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate	Year 2004	to 250,000	400,000 22.12%	1,128,000 22.29%	22.12%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate	Year 2004	to 250,000 13.12% 5.50% 18.62%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate	Year 2004	to 250,000 13.12% 5.50% 18.62%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate	Year 2004	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax	Year 2004 Irtax)	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax	Year 2004 Irrtax) MAX	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	Year 2004 Irtax) MAX \$5MM	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large	Year 2004 Irtax) MAX \$5MM MAX	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax	Year 2004 Irtax) MAX \$5MM	to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,990,543	22.12% 5.50%	1,128,000 22.29% 13.77%	22.12% 14.00%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2004 Irtax) MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,990,543	22.12% 5.50% 27.62%	1,128,000 22.29% 13.77% 36.06%	22.12% 14.00% 36.12%
Income Range Income Tax Rate Current year Federal (Includes su Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax	Year 2004 Irtax) MAX \$5MM MAX \$50MM of the actual ta	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,990,543 50,000,000 x return allo	22.12% 5.50% 27.62%	1,128,000 22.29% 13.77% 36.06%	22.12% 14.00% 36.12%

	Ι Δ		0	_		-	_		1	- 1	I/	1	8.4	N.I.	
	A	В	С	D	E	F	G	Н	I	J	K	L	M	Ν	0
	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account														
3	Utility Name: Kitchener-Wilmo	ot Hyd	ro Inc.		0. 0										Version 2009.1
4	Reporting period: 2004				Sign Convention	on: -	for increase;	· tor	decrease						U
5 6															
-										-					
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year start:												04/30/06		Total
10	rear end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		rotai
10	On a nin n h alamaa														
11	Opening balance:	=	0		1,413,943		942,861		843,616		789,528		789,528		0
	Board-approved PILs tax	+/-							•						
12	proxy from Decisions (1)		1,405,676		4,458,461		5,864,137		4,809,880.00						16,538,154
	PILs proxy from April 1, 2005								•						
13	- input 9/12 of amount														0
	True-up Variance	+/-							•						
14	Adjustment Q4, 2001 (2)				17,506										17,506
	True-up Variance	+/-							•						
15	Adjustment (3)						85,136		29,313						114,449
	Deferral Account Variance								•						
16	Adjustment Q4, 2001 (4)				993										993
	Deferral Account Variance	+/-							•						
17	Adjustment (5)								-185,319						-185,319
	Adjustments to reported	+/-					-		,						,
18	prior years' variances (6)														0
	C	+/-	0.067		112.047		E0 070		44.020						242.607
19	PILs billed to (collected		8,267		112,047		52,273		41,020						213,607
20	from) customers (8)	-	0		-5,060,090		-6,100,792		-4,748,982						-15,909,863
21	rom customers (8)				-5,000,090		-0,100,792		-4,140,302						10,303,003
	Ending balance: # 1562		1,413,943		942,861		843,616		789,528		789,528		789,528		789,528
			1, 110,040		342,001		340,010		700,020	=	700,020		700,020		100,020
23															

26 Uncollected PILs 27

24 25

38

63

64

65

67

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. 29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 33 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 35 If the Board gave more than one decision in the year, calculate a weighted average proxy.
- (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. 36
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- 39 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 42 43 44 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 47 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 49 50 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. 52 53 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 54 (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- 56 (7) Carrying charges are calculated on a simple interest basis. 57
- (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 58 59 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. 61 62 The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used
- 68 70 71 72 73 to calculate the recovery for the period January 1 to March 31, 2005.
- (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes 75 76 will have to include amounts from 1562 and from 1590.

	A	В	С	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
	REGULATORY INFORMATION (REGINFO)				
	Utility Name: Kitchener-Wilmot Hydro Inc.			Colour Code	
	Reporting period: 2005			Input Cell	
5				Formula in Cell	
	Days in reporting period:	365	days		
	Total days in the calendar year:	365	days		
9	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Υ	
13	· · · · · · · · · · · · · · · · · · ·				
	Was the utility recently acquired by Hydro One		V/NI	N	
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Υ	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.86%	
	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23	Accounting Year End		Date	31-Dec	
20			Date	31-060	
	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA				Income
	(FROM 1999 FINANCIAL STATEMENTS) USE BOARD-APPROVED AMOUNTS				
30	USE BOARD-AFFROVED AMOUNTS				
	Rate Base (wires-only)			139,931,166	
JZ				1	
-	Common Equity Ratio (CER)			45.00%	
35	1-CER			55.00%	
	Target Return On Equity			9.88%	
	Debt rate			7.00%	
40	Debt fale			7.0070	
	Market Adjusted Revenue Requirement			11,608,690	
42	ivialitet Aujusteu Neverlue Nequirement			11,000,090	
	1999 return from RUD Sheet #7			4,587,898	4,587,898
77					1,007,000
		2 240 204		7,020,792	
46	Input: Board-approved dollar amounts phased-in Amount allowed in 2001	2,340,264		2,340,264	2,340,264
48	Amount allowed in 2002			2,340,264	
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			2,040,204	
50	unless authorized by the Minister and the Board)			_	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			2,340,264	2,340,264
52	Other Board-approved changes to MARR or incremental revenue				0
53				338709	
54	Total Regulatory Income				11,947,399
55	Equity			62,000,005	
56	Equity			62,969,025	
	Return at target ROE			6,221,340	
59	· · · · · · · · · · · · · · · · · · ·			0,221,040	
	Debt			76,962,141	
61					
62	Deemed interest amount in 100% of MARR			5,387,350	
63					
	Phase-in of interest - Year 1 (2001)			3,215,215	
65	((D43+D47)/D41)*D61			4 004 000	
67	Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61			4,301,283	
	Phase-in of interest - Year 3 (2003) and forward			4,301,283	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)			7,001,200	
	Phase-in of interest - 2005			5,387,350	
71	_			, = ,= ,=	
72			-		
				-	

	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	<u> </u>
	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	
7	Utility Name: Kitchener-Wilmot Hydro Inc. Reporting period: 2005							
8	Reporting period. 2003						Column	
	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13	N CORPORATE INCOME TAYER							
15	I) CORPORATE INCOME TAXES							
	Regulatory Net Income REGINFO E53	1	11,947,399		1,590,738		13,538,137	
17	regulatory from moomic regular o 200	<u>'</u>	11,041,000		1,000,700		10,000,101	
18	BOOK TO TAX ADJUSTMENTS							
	Additions:							
	Depreciation & Amortization	2	6,551,699		2,192,572		8,744,271	
	Employee Benefit Plans - Accrued, Not Paid	3	0		365,802		365,802	
22	Tax reserves - beginning of year Reserves from financial statements - end of year	4			0		0	
	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
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			131,545		131,545	<u> </u>
29	Other Additions (not "Material") "TAXREC 2"	6			470.007		470.007	-
30	Items on which true-up does not apply "TAXREC 3"				176,087		176,087	
31	Deductions: Input positive numbers							
	Capital Cost Allowance and CEC	7	5,545,625		2,536,278		8,081,903	1
	Employee Benefit Plans - Paid Amounts	8	3,343,023		454,095		454,095	
	Items Capitalized for Regulatory Purposes	9	0		0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
	Interest Expense Deemed/ Incurred	11	5,387,350		89,456		5,476,806	
38	Tax reserves - end of year	4			0		0	
	Reserves from financial statements - beginning of year Contributions to deferred income plans	3			0		0	
41	Contributions to deferred income plans Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")				-			
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12	607,000		-607,000		0	
46	Material Items from "TAXREC 2" worksheet	12			163,597		163,597	
47	Other Deductions (not "Material") "TAXREC 2"	12			201,014		201,014	
48 49	Items on which true-up does not apply "TAXREC 3"				201,014		201,014	-
50	TAXABLE INCOME/ (LOSS)		6,959,123		1,619,304		8,578,427	
51			0,000,120		.,010,004		0,010,121	
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		0.0000%		36.12%	L
54	DECUL ATORY INCOME TAY		0 = 1 = 1				0.057.7	<u> </u>
55 56	REGULATORY INCOME TAX		2,513,635		320,282	Actual	2,833,917	-
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	t
59								
60	Total Regulatory Income Tax		2,513,635		320,282	Actual	2,833,917	
61								
62	II) CAPITAL TAXES							-
63 64	II) CAPITAL TAXES							1
65	Ontario							t
66	Base	15	139,931,166		42,874,134		182,805,300	L
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-10,592		7,489,408	
68	Taxable Capital		132,431,166		42,863,542	·	175,315,893	
69	Date Tay Dates Degulatery Table 4: Actual Table 0	47	0.00000/		0.000001		0.000001	<u> </u>
70 71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
72	Ontario Capital Tax		397,293		128,654		525,948	
73	**1		,200		,,50 !		5=5,510	
74	Federal Large Corporations Tax							
75	Base	18	139,931,166		40,346,425		180,277,591	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		89,931,166		40,346,425		130,277,591	-
78 79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
80	Tax Tax Tales - Regulatory, Table 1, Actual, Table 3	20	0.1730%		0.000076		0.1730%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		157,380		70,606		227,986	t
82	Less: Federal Surtax 1.12% x Taxable Income	21	77,942		18,160		96,102	
83		-						
	Net LCT		79,437		52,446		131,884	<u> </u>
85								<u> </u>

_					_			
1	A PILs TAXES - EB-2008-381	B ITEM	C Initial	D	E M of F	F M of F	G Tax	Н
	PILS TAXES - ED-2006-361 PILS DEFERRAL AND VARIANCE ACCOUNTS	I I EIVI	Estimate		Filing	Filing	Returns	-
3	TAX CALCULATIONS (TAXCALC)		Latinate		Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		-
5	0						Version 2009.1	
	Utility Name: Kitchener-Wilmot Hydro Inc.							
	Reporting period: 2005							
8	Decre la consentir a contra de	005	deve				Column	
10	Days in reporting period: Total days in the calendar year:	365 365	days days				Brought From	\dashv
11	Total days in the calendar year:	303	uays				TAXREC	_
12			\$		\$		\$	-
13			T		,		Ť	\dashv
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89	In a constant of the constant	00	0.004.000			A - (1 000F	0.000.047	
	Income Tax (proxy tax is grossed-up) LCT (proxy tax is grossed-up)	22	3,934,933 124,354			Actual 2005 Actual 2005	2,833,917 131,884	_
92	Ontario Capital Tax (no gross-up since it is deductible)	24	397,293			Actual 2005	525,948	-
93	Official Fax (no group of office it is deduction)		001,200			Hotaul 2000	020,040	
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2005	25	4,456,580	•		Actual 2005	3,491,749	
96	RAM DECISION					·		
97							1	
98	NA FUTURE TRUE URS						1	
	IV) FUTURE TRUE-UPS IV a) Calculation of the True-up Variance				DR/(CR)		+	-
	,				DR/(CR)			
	In Additions: Employee Benefit Plans - Accrued, Not Paid	3			365,802		+	_
	Tax reserves deducted in prior year	4			000,002		+	\dashv
	Reserves from financial statements-end of year	4			0			
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			131,545			
108	In Deductions - positive numbers Employee Benefit Plans - Paid Amounts	0			454,095			
	Items Capitalized for Regulatory Purposes	<u>8</u> 9			454,095			-
	Regulatory Adjustments	10			0			_
	Interest Adjustment for tax purposes (See Below - cell I206)	11			89,456			
113	Tax reserves claimed in current year	4			0			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans	3			0			
	Contributions to pension plans Other deductions "Material" Items TAXREC	3 12			0			
118		12			163,597			-
119	Other deductions - Material - Item - TAXINEC 2	12			103,397			-
120	Total TRUE-UPS before tax effect	26		=	-209,801			
121					,			
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			Х	36.12%			
123								
124 125	Income Tax Effect on True-up adjustments			=	-75,780		1	_
125	Less: Miscellaneous Tax Credits	14			0		+ +	\dashv
127	Ecoc. Milocollaricous Tax Oreuto	14			0		+	-
	Total Income Tax on True-ups				-75,780		1	\dashv
129	·				·			
	Income Tax Rate used for gross-up (exclude surtax)				35.00%		1]
131	TOUE UD VADIANCE AD III OTAIENT				// / D EC = 1		1	_
132	TRUE-UP VARIANCE ADJUSTMENT				(116,585)		+	_
133	IV b) Calculation of the Deferral Account Variance caused by						+	=
124	changes in legislation							
135							+	\dashv
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial						1	\dashv
136	estimate column)			=	6,959,123		<u> </u>	_
137								
	REVISED CORPORATE INCOME TAX RATE			Х	36.12%		1	
139	REVISED REGULATORY INCOME TAX				2 542 625		1	_
140 141	INLVIOLD NEGULATOR FINCOINE TAX			=	2,513,635		+	_
142	Less: Revised Miscellaneous Tax Credits			-	0			-
143							1	\neg
144	Total Revised Regulatory Income Tax			=	2,513,635			
145								
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell				0.510.00		1	
146	C58)			-	2,513,635		1	_
147	Regulatory Income Tax Variance			=	0		+ +	\dashv
149	Trogulatory Income Tax variance				U		+	=
			1		1		1	

_								
H	A A	В	C	D	E	F	G	Н
	PILS TAXES - EB-2008-381 PILS DEFERRAL AND VARIANCE ACCOUNTS	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	\vdash
	TAX CALCULATIONS (TAXCALC)		LStilliate		Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		T
5	0						Version 2009.1	
6								1
8	Reporting period: 2005						Calumn	-
	Days in reporting period:	365	days				Column Brought	\vdash
	Total days in the calendar year:	365	days				From	
11			j				TAXREC	
12			\$		\$		\$	
13								4
	Ontario Capital Tax Base				139,931,166			-
	Less: Exemption from tab Tax Rates, Table 2, cell C39			=	7,500,000			+
	Revised deemed taxable capital			=	132,431,166			T
154								
155				Х	0.3000%			1
156	Revised Ontario Capital Tax		 	+ _	397,293			\vdash
13/	Less: Ontario Capital Tax reported in the initial estimate column (Cell			=	397,293			\vdash
158	C70)			-	397,293			
159	Regulatory Ontario Capital Tax Variance			=	0			
160			<u> </u>	1]				igsqcut
	Federal LCT Base			1	120 024 400			
163				_	139,931,166 50,000,000			\vdash
	Revised Federal LCT			=	89,931,166			
165								
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
167					457.000			4
168	Gross Amount Less: Federal surtax			_	157,380 77,942			+-1
170				=	79,437			+
17′								T
172				-	79,437			
	Regulatory Federal LCT Variance			=	0			4
174 175					35.00%			+-
176					33.00%			+
	Income Tax (grossed-up)			+	0			T
	LCT (grossed-up)			+	0			
	Ontario Capital Tax			+	0			4
180	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			+-
182				_	U			+
	TRUE-UP VARIANCE (from cell l132)			+	(116,585)			
184								
185				=	(116,585)			
186				1				\sqcup
188			 					\vdash
189			1					\vdash
	V) INTEREST PORTION OF TRUE-UP							\vdash
191	Variance Caused By Phase-in of Deemed Debt							
192								
	Total deemed interest (REGINFO)			1	5,387,350			-
194	Interest phased-in (Cell C36)				4,301,283			\vdash
196					1,086,067			\vdash
197	according to the Board's decision							
198								\sqcup
	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)			1				\vdash
200 201	Interest deducted on MoF filing (Cell K36+K41)				5,476,806			\vdash
202					5,387,350			\vdash
203								
204	Variance caused by excess debt				89,456			
205					20.455			\sqcup
200					89,456			\vdash
	Total Interest Variance				996,612			\vdash
209								\vdash
210								
211								

_						
_	A	В	C	D	Ε .	F
1	PILs TAXES - EB-2008-381 TAX RETURN RECONCILIATION (TAXREC)	LINE	M of F	Non-wires Eliminations	Wires-only Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Return	
4	(10) Wiles-Only business - See S. 72 OEB ACI)		Return		Return	
5			Neturn		Version 2009.1	
_	Section A: Identification:				V 01 01011 200011	
7	Utility Name: Kitchener-Wilmot Hydro Inc.					
_	Reporting period: 2005					
	Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12	,			,-		
_	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N		,		
15		Y/N				
16	· ·	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
18	(Please complete the questionnaire in the Background questionnaire	worksh	eet.)			
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23						
_	The actual categories of the income statements should be used.					
	If required please change the descriptions except for amortization, interest	expens	e and provision for i	ncome tax		
26						
27	Please enter the non-wire operation's amount as a positive number, the pro-			all amounts		
28	in the "non-wires elimination column" as negative values in TAXREC and T	AXREC	2.			
29						
	Income:		,=			
31	Energy Sales	+	151,137,931		151,137,931	
32	Distribution Revenue	+	31,503,586		31,503,586	
33	Other Income	+	860,757		860,757	
34	Miscellaneous income	+	752,225		752,225	
35		+			0	
	Revenue should be entered above this line					
37						
	Costs and Expenses:		151 105 001		454 405 004	
39	Cost of energy purchased	-	151,137,931		151,137,931	
40	Administration	-	2,530,264		2,530,264	
41	Customer billing and collecting	-	2,288,198		2,288,198	
42	Operations and maintenance	-	5,418,660		5,418,660	
43	Amortization	-	8,218,644		8,218,644	
44 45	Property & Ontario Capital Taxes	-	1,020,503		1,020,503	
46	Interest expense not subject to clawback	-	102,162		102,162	
46		-			0	
48		-			0	
49		-			U	
_	Net Income Before Interest & Income Taxes EBIT	=	13,538,137	0	13,538,137	
51	Less: Interest expense for accounting purposes	-	5,476,806	0	5,476,806	
52	Provision for payments in lieu of income taxes	-	2,939,451		2,939,451	
	Net Income (loss)		5,121,880	0	5,121,880	
55	(The Net Income (loss) on the MoF column should equal to the net income (loss)	=	3,121,000	U	3,121,000	
54	per financial statements on Schedule 1 of the tax return.)					
55	,					
	Section C: Reconciliation of accounting income to taxable income					
_	From T2 Schedule 1					
_	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	2,941,591	0	2,941,591	
	Federal large corporation tax	+	0		0	
	Depreciation & Amortization	+	8,744,271	0	8,744,271	
	Employee benefit plans-accrued, not paid	+	365,802	0	365,802	
	Tax reserves - beginning of year	+	0	0	0	
_	Reserves from financial statements- end of year	+	0	0	0	
	Regulatory adjustments on which true-up may apply (see A66)	+			0	
	Items on which true-up does not apply "TAXREC 3"		176,087		176,087	
_	Material addition items from TAXREC 2	+	131,545	0	131,545	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		12,359,296	0	12,359,296	
71						
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79	T + 10/1 A 1/1/1	+			0	
80	Total Other Additions	=	0	0	0	
81	T-(-1 A - 12)	1	10.0===		10.0	
82	Total Additions	=	12,359,296	0	12,359,296	
83	Door Material Additions	1				
	Recap Material Additions:					
85			0	0	0	
86 87			0	0	0	
0/			0	0	0	

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	<u> </u>
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
88			0	0	0	
89 90			0	0	0	
91			0	0	0	
_	Total Other additions >materiality level		0	0	0	
	Other additions (less than materiality level)		0	0	0	
	Total Other Additions		0	0	0	
95						
_	BOOK TO TAX DEDUCTIONS:	_	8,081,903		8,081,903	
	Capital cost allowance Cumulative eligible capital deduction	-	0,001,903		0,001,903	
	Employee benefit plans-paid amounts	-	454,095		454,095	
	Items capitalized for regulatory purposes	-	,		0	
	Regulatory adjustments :	-			0	
102		-			0	
103		-	0	0	0	
	Tax reserves - end of year Reserves from financial statements- beginning of year	-	0	0	0	
	Contributions to deferred income plans	-	U	U	0	
	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		201,014	0	201,014	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	163,597	0	163,597	
_	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112 113		=	8,900,609	0	8,900,609	
_	Other deductions (Please explain the nature of the deductions)	=	0,900,009	U	0,900,609	
	Charitable donations - tax basis	-			0	
	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119	Total Other Daductions	-	0	0	0	
120 121	Total Other Deductions	=	0	0	U	
122	Total Deductions	=	8,900,609	0	8,900,609	
123			-,,	-	-,,	
	Recap Material Deductions:					
125			0	0	0	
126 127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions less than materiality level		0	0	0	
	Total Other Deductions		0	0	0	
133	TAXABLE INCOME	=	8.580.567	0	8,580,567	
	DEDUCT:		0,360,367	U	0,300,307	
136		-	0		0	
137	·	-			0	
138					0	
	NET TAXABLE INCOME	=	8,580,567	0	8,580,567	
140	FROM ACTUAL TAX RETURNS					
_	Net Federal Income Tax (Must agree with tax return)	+	1,672,564	0	1,672,564	
	Net Ontario Income Tax (Must agree with tax return)	+	1,161,353	0	1,161,353	
144	Subtotal	=	2,833,917	0	2,833,917	
	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
	Total Income Tax	=	2,833,917	0	2,833,917	
147	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
	Section F: Income and Capital Taxes					
154	RECAP					
	Total Income Taxes	+	2,833,917	0	2,833,917	
	Ontario Capital Tax	+	525,948	U	525,948	
	Federal Large Corporations Tax	+	131,884		131,884	
159						
160		=	3,491,749	0	3,491,749	
161						

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2005					
9						
	TAX RESERVES					
11	De alamina et Veras					
13	Beginning of Year:				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
	End of Year:					
25	20(1)(1)				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n) Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
32	Other - Flease describe				0	
33					0	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
	Beginning of Year:					
41					0	
42					0	
	Environmental Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
	End of Year:					
53					0	
54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
61	Sinoi i idado acconide				0	
	Insert line above this line				U	
_	Total (carry forward to the TAXREC worksheet)		0	0	0	
64	The Assert of the Manager Monthless					

	A	В	С	D	E	F
1						
	PILS TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
5	RATEPAYERS ONLY		Return		Neturn	
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2005 Number of days in taxation year:		365			
	Materiality Level:		0			
12	-					
13						
14 15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers) Taxable capital gains	+			0	
22	Taxable Suprial gains	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
	Capitalized interest Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
31	Interest paid on income debentures Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
	Provision for bad debts	+	91,619		91,619	
	Ontario ATTC claimed in year	+	36,534 3,392		36,534 3,392	
39	Ontario CETC claimed in year	+	3,392		3,392	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
	Interest & Penalties on Taxes	+			0	
42		+			0	
43		+			0	
45		+			0	
46	Total Additions	=	131,545	0	131,545	
47						
48 49	Recap of Material Additions:		0	0	0	
50			0	0		
51			0	0		
52			0	0		
53			0	0		
54 55			0	0		
56			0	0		
57			0	0		
58			0	0		
59 60			0	0		
61			0	0		
62			0	0		
63			0	0		
64			0	0		
65 66			0	0		
	Provision for bad debts		91,619	0		
68	Ontario ATTC claimed in year		36,534	0	36,534	
	Ontario CETC claimed in year		3,392	0		
70 71			0	0		
72			0	0		
73			0	0		
74			0	0	0	

	A	В	С	D	E	F
1			N (F			
3	PILs TAXES - EB-2008-381 TAX RETURN RECONCILIATION (TAXREC 2)	LINE	M of F Corporate	Non-wires Eliminations	Wires-only Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax	Eliminations	Return	
5	RATEPAYERS ONLY		Return		Ketuiii	
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
	Utility Name: Kitchener-Wilmot Hydro Inc.					
	Reporting period: 2005					
	Number of days in taxation year:		365			
11	Materiality Level:	+ -	0			
13						
75			0	0	0	
76			0	0		
	Total Material additions		131,545	0		
78	Other additions less than materiality level		0	0		
79	Total Additions		131,545	0	131,545	
80						
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83 Terminal loss from Schedule 8	-			0	
_	Depreciation in inventory, end of prior year	-			0	
	Scientific research expenses claimed in year from Form T661	- -			0	
	Bad debts	-	163,597		163,597	
	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94	Other deductions, (Places symbols in detail the native of the item)	-			0	
95 96	Other deductions: (Please explain in detail the nature of the item) Non-taxable load transfers	-	0		0	
97	Non-taxable load translers	-	U		0	
98		-			0	
99	Total Deductions	=	163,597	0	163,597	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0		
104 105			0	0		
105			0	0		
	Bad debts		163,597	0	-	
108			0	0		
109			0	0		
110			0	0	0	
111			0	0		
112			0	0		
113			0	0		
114 115			0	0		
116			0	0		
117			0	0		
118			0	0		
	Total Deductions exceed materiality level		163,597	0		
	Other deductions less than materiality level		0	0	0	
121	Total Deductions		163,597	0	163,597	
122						

Г	A	В	С	D	Е	F
1			3	J	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: Kitchener-Wilmot Hydro Inc.				Version 2009.1	
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income Add:					
18	Add.					
_	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
21	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property Loss from joint ventures or partnerships	+			0	
	Loss from joint ventures or partnerships Deemed dividend income	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets	+		20,731	-20,731	
	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
_	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+	24 524		0	
_	Non-deductible meals Non-deductible club dues	+	21,531		21,531 0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books		150,500		150,500	
36	Interest and penalties on unpaid taxes		4,056		4,056	
	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39	Changes in Degulatory Accet halances	+			0	
40	Changes in Regulatory Asset balances Imputed interest expense on Regulatory Assets	+			0	
42	imputed interest expense on regulatory Assets	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46	T (1 A 1 P)	+	470.007	00.704	455.050	
47 48	Total Additions on which true-up does not apply	=	176,087	20,731	155,356	
	Deduct:					
50						
51	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-	50.544		0	
	Gain on disposal of assets per financial statements Financing fee amorization - considered to be interest expense for PILs	-	50,514		50,514 0	
	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	150,500		150,500	
58	Income from joint ventures or partnerships	-	22,230		0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61	Observation Department Association	-			0	
62 63	Changes in Regulatory Asset balances	-			0	
64	Assessment Notice	-			0	
65	, leadedon () tolico	-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70 71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	201,014	0	201,014	
74						
75						

1 PIL	Δ.		0			-			
I ILI	A Ls TAXES - EB-2008-381	В	С	D	E	F	G	Н	I
	orporate Tax Rates				V	ersion 2009.			
	remptions, Deductions, o	r Threshold	s		•	er 31011 2003.			
	ility Name: Kitchener-Wil								
_	eporting period: 2005	,							
6	. •.								
7						Table 1			
	ates Used in 2002 RAM PI	Ls Applicat	ions for 2005						
	come Range		0		200,001				
	AM 2005		to		to	>700000			
11		Year	200,000		700,000				
	come Tax Rate								
	roxy Tax Year	2005	10.100/		4====/	20.100/			
	ederal (Includes surtax)		13.12%		17.75%	22.12%			
	nd Ontario blended		5.50%		9.75%	14.00%			
	Blended rate		18.62%		27.50%	36.12%			
17	mital Tay Data		0.2000/						
_	apital Tax Rate		0.300%						
	CT rate		0.175%						
20 Su		MAY	1.12%						
	ntario Capital Tax cemption **	MAX ¢7.5MM	7,500,000						
	ederal Large	\$7.5MM							
	orporations Tax	MAX	50,000,000						
	cemption **	\$50MM	30,000,000						
	Exemption amounts	must agra	o with the	Roard-ann	royed 200	2 D A M			
		must ayre	o with the	∍oaru-app	107 5 4 200	Z INAWI			
23	ILs filing								
24									
25						Table 2			
	spected Income Tax Rates	for 2005 a	nd Capital Ta	x Exemption	s for 2005				
	come Range		0	250,001	400,001				
	cpected Rates		to	to	to	>1,128,000			
29	•	Year	250,000	400,000	1,128,000				
30 Inc	come Tax Rate								
31 Cu	urrent year	2005							
32 Fe	ederal (Includes surtax)	2005	13.12%	22.12%	22.12%	22.12%			
_	ntario	2005	5.50%	5.50%	9.75%	14.00%			
_	Blended rate	2005	18.62%	27.62%	31.87%	36.12%			
35									
	apital Tax Rate	2005	0.300%						
	CT rate	2005	0.200%						
38 S u		2005	1.12%						
	ntario Capital Tax	MAX	7,500,000						
	cemption *** 2004	\$7.5MM	1,000,000						
	ederal Large	MAX							
	orporations Tax	\$50MM	50,000,000						
ŀ∪ IEx	cemption *** 2004								
			a -	141		4.			
11 ***	*Allocation of exemp		t comply w	vith the Bo	ard's instr	uctions			
***			t comply w	vith the Bo	ard's instr	uctions			
11 *** re	*Allocation of exemp		t comply w	vith the Bo	ard's instr	uctions Table 3			
11 *** 12 re	*Allocation of exemp egarding regulated ac	tivities.			ard's instr				
11 *** 12 re 13 lnp	*Allocation of exemp	tivities.			ard's instr				
11 *** 12 re 13 lnp 14 lnp 15 lnc	*Allocation of exemp egarding regulated ac put Information from Utili	tivities.	2005 Tax Retu	urns					
11 *** 12 re 13 14 15 16 17	*Allocation of exemplegarding regulated ac put Information from Utilit come Range	tivities.	2005 Tax Retu	urns 250,001	400,001	Table 3			
11 *** 12 re 13 14 15 16 17	*Allocation of exemp egarding regulated ac put Information from Utili	tivities.	2005 Tax Retu 0 to	urns 250,001 to	400,001 to	Table 3			
11 *** 12 re 13 14 15 16 17 18 10 19 10 11 12 14 15 16 17 18 10 17 18 10 10 11 12 13 14 15 16 17 18 10 10 10 10 10 10 10 10	*Allocation of exemplegarding regulated action put Information from Utiliticome Range come Tax Rate urrent year	tivities.	2005 Tax Retu 0 to	250,001 to 400,000	400,001 to 1,128,000	Table 3			
11 *** 12 re 13 14 15 16 17 18 10 10 10 11 12 13 14 15 16 17 18 16 17 18 16 17 18 16 17 18 10 10 10 10 10 10 10 10	*Allocation of exemplegarding regulated acuput Information from Utiliticome Range come Tax Rate urrent year ederal (Includes surtax)	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1,128,000 22.12%		22.12%	0.00%
1	*Allocation of exemplegarding regulated accuput Information from Utiliticome Range come Tax Rate current year ederal (Includes surtax) intario	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000 13.12% 5.50%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00% 0.00%
1	*Allocation of exemplegarding regulated acuput Information from Utiliticome Range come Tax Rate urrent year ederal (Includes surtax)	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1,128,000 22.12%			
1	*Allocation of exemplegarding regulated accept Information from Utiliticome Range come Tax Rate current year detail (Includes surtax) intario Blended rate	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11 *** 14 re 13 14 Inp 15 Inc 16 17 18 Inc 19 Cu 10 Fe 11 On 11 12 B 13 14 Ca	*Allocation of exemplegarding regulated accept Information from Utility come Range come Tax Rate come Tax Rate come tyear ederal (Includes surtax) entario Elended rate apital Tax Rate	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11 *** 12 re 13 14 Ing 15 Inc 16 17 18 Inc 19 Cu 19 10 Fe 10 11 12 B 13 14 Ca 15 LC	*Allocation of exemplegarding regulated accept Information from Utility come Range come Tax Rate come Tax Rate come (Includes surtax) intario Blended rate apital Tax Rate comparison of the	tivities. ty's Actual : Year	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11 *** 14	*Allocation of exemplegarding regulated aceput Information from Utilicome Range come Tax Rate current year ederal (Includes surtax) intario Blended rate apital Tax Rate currat	year 2005	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11 *** 12 re 13 14 Ing 14 Ing 15 Inc 16 17 18 Inc 17 18 Inc 17 18 Inc 18 Inc 19 Cu 19 Cu 10 Fe 1	*Allocation of exemplegarding regulated aceput Information from Utilin come Range come Tax Rate current year ederal (Includes surtax) entario Blended rate apital Tax Rate curtax entario Capital Tax entario Capital Tax	Year 2005 MAX	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11 *** 142 re 143 lnr 144 lnr 145 lnr 146 lnr 147 lnr 148 lnr 149 Cu 150 Fe 151 Or 152 B 153 lnr 154 Ca 155 LC 156 Su 157 Ex	*Allocation of exemplegarding regulated aceput Information from Utiliticome Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate currax intario Capital Tax	year 2005	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
11	*Allocation of exemplegarding regulated aceput Information from Utiliticome Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate curtax intario Capital Tax intario Capital Tax interio Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax interior Capital Tax	Year 2005 MAX \$7.5MM	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 7,489,408	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
1	*Allocation of exemplegarding regulated aceput Information from Utiliticome Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate curtax intario Capital Tax ederal Large corporations Tax	Year 2005 MAX \$7.5MM MAX	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 14.00%	Table 3 >1,128,000 22.12% 14.00%		14.00%	0.00%
141	*Allocation of exemplegarding regulated aceput Information from Utility come Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate curtax intario Capital Tax interest capital	Year 2005 MAX \$7.5MM MAX \$50MM	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 7,489,408 50,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 14.00% 36.12%	Table 3 >1,128,000 22.12% 14.00% 36.12%		14.00%	0.00%
141	*Allocation of exemplegarding regulated aceput Information from Utiliticome Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate curtax intario Capital Tax ederal Large corporations Tax	Year 2005 MAX \$7.5MM MAX \$50MM	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 7,489,408 50,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 14.00% 36.12%	Table 3 >1,128,000 22.12% 14.00% 36.12%		14.00%	0.00%
1	*Allocation of exemplegarding regulated aceput Information from Utility come Range come Tax Rate current year ederal (Includes surtax) intario Blended rate capital Tax Rate curtax intario Capital Tax interest capital	Year 2005 MAX \$7.5MM MAX \$50MM actual tax	2005 Tax Retu 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 7,489,408 50,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 14.00% 36.12%	Table 3 >1,128,000 22.12% 14.00% 36.12%		14.00%	0.00%

	A	В	С	D	E	F	G	Н	I	J	K	L	M	Ν	0
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Kitchener-Wilmo	ot Hyd	ro Inc.												Version 2009.1
4	Reporting period: 2005				Sign Conventi	on: 4	for increase;	for	decrease						0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		1,413,943		942,861		843,616		789,528		250,827		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		1,405,676		4,458,461		5,864,137		4,809,880.00		1,114,615		1,114,145		18,766,914
	PILs proxy from April 1, 2005														
13	- input 9/12 of amount										3,342,435				3,342,435
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)				17,506										17,506
	True-up Variance	+/-													
15	Adjustment (3)						85,136		29,313		973		-116,585		-1,163
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)				993										993
	Deferral Account Variance	+/-													
17	Adjustment (5)								-185,319		-402,917		0		-588,235
	Adjustments to reported	+/-							·		,				·
18	prior years' variances (6)														0
19	Carrying charges (7)	+/-	8,267		112,047		52,273		41,020		21,984		-18,300		217,291
	PILs billed to (collected	-													
20	from) customers (8)		0		-5,060,090		-6,100,792		-4,748,982		-4,615,790		-1,534,071		-22,059,725
21															
22	Ending balance: # 1562		1,413,943		942,861		843,616		789,528		250,827		-303,983		-303,983
23]					-									

25 26 27

24

77

28 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.

29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- 33 (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 34
 - Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
- 35 If the Board gave more than one decision in the year, calculate a weighted average proxy.
- 36 37 (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
- 38 (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- 39 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
- 40 41 (vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 43 44 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 47 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 49 50 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 53 54 55 (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.
- 56 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 60 61 62 63 64 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
- (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; 65 67 plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 74 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes 75 will have to include amounts from 1562 and from 1590. 76

Kitchener-Wilmot Hydro Inc. Account 1562 - Deferred PILS Account Detail

		All Rate Classes										
				True up	Account Balance			Carrying	Carrying	Account		
Month	Year	PILS Collected	PILS Proxy	Variances	(before carrying	Days	Rate	Charges	Charges	Balance		
	2221		100 == 0.0=	Variations	charges)			Ondriges	(cumulative)			
October	2001	-	468,558.67		468,558.67	31	7.00%	2 605 92	2 605 92	468,558.67		
	2001 2001	-	468,558.67		937,117.33	30 31	7.00% 7.00%	2,695.82	2,695.82	939,813.15		
December January	2001	-	468,558.67 371,538.42		1,405,676.00 1,777,214.42	31	7.00%	5,571.36 8,357.03	8,267.17 16,624.20	1,413,943.17 1,793,838.62		
February	2002	_	371,538.42		2,148,752.83	28	7.00%	9,543.40	26,167.60	2,174,920.44		
March	2002	(518,304.31)	371,538.42		2,001,986.94	31	7.00%	12,774.78	38,942.38	2,040,929.32		
April	2002	(480,952.78)	371,538.42		1,892,572.58	30	7.00%	11,518.28	50,460.66	1,943,033.24		
May	2002	(355,565.59)	371,538.42		1,908,545.40	31	7.00%	11,251.73	61,712.39	1,970,257.80		
June	2002	(598,102.22)	371,538.42	18,499.12	1,700,480.72	30	7.00%	10,980.67	72,693.07	1,773,173.79		
July	2002	(508,764.16)	371,538.42		1,563,254.97	31	7.00%	10,109.71	82,802.77	1,646,057.75		
August	2002	(496,455.17)	371,538.42		1,438,338.22	31	7.00%	9,293.87	92,096.65	1,530,434.87		
September		(540,308.90)	371,538.42		1,269,567.74	30	7.00%	8,275.37	100,372.02	1,369,939.76		
October	2002	(512,966.63)	371,538.42		1,128,139.53	31	7.00%	7,547.84	107,919.86	1,236,059.38		
	2002	(506,588.62)	371,538.42		993,089.32	30	7.00%	6,490.67	114,410.52	1,107,499.84		
	2002 2003	(542,081.29)	371,538.42 488,678.08		822,546.45	31 31	7.00% 7.00%	5,904.12 4,890.21	120,314.64	942,861.09		
January February	2003	(523,942.42) (501,117.14)	488,678.08		787,282.11 774,843.05	28	7.00%	4,890.21	125,204.85 129,432.45	912,486.96 904,275.50		
March	2003	(539,742.41)	488,678.08		723,778.72	31	7.00%	4,606.60	134,039.05	857,817.77		
April	2003	(471,956.59)	488,678.08		740,500.21	30	7.00%	4,164.21	138,203.25	878,703.47		
May	2003	(541,130.42)	488,678.08		688,047.88	31	7.00%	4,402.43	142,605.68	830,653.56		
June	2003	(476,920.02)	488,678.08	85,136.31	784,942.25	30	7.00%	3,958.63	146,564.31	931,506.56		
July	2003	(512,260.42)	488,678.08	,	761,359.91	31	7.00%	4,666.64	151,230.96	912,590.87		
August	2003	(485,904.20)	488,678.08		764,133.79	31	7.00%	4,526.44	155,757.40	919,891.19		
September		(540,011.40)	488,678.08		712,800.48	30	7.00%	4,396.39	160,153.78	872,954.26		
October	2003	(490,715.85)	488,678.08		710,762.71	31	7.00%	4,237.75	164,391.53	875,154.23		
	2003	(508,692.01)	488,678.08		690,748.78	30	7.00%	4,089.32	168,480.85	859,229.62		
	2003	(508,398.85)	488,678.08		671,028.01	31	7.00%	4,106.64	172,587.49	843,615.50		
January	2004	(509,059.88)	488,678.08		650,646.21	31	7.00%	3,989.40	176,576.89	827,223.10		
February	2004	(528,713.92)	488,678.08		610,610.38	29	7.00%	3,618.66	180,195.55	790,805.93		
March April	2004 2004	(518,300.77) (349,128.12)	488,678.08 371,538.42		580,987.70 603,397.99	31 30	7.00% 7.00%	3,630.20 3,342.67	183,825.76 187,168.43	764,813.45 790,566.42		
May	2004	(349,126.12)	371,538.42		639,574.98	31	7.00%	3,587.33	190,755.75	830,330.73		
June	2004	(365,330.51)	371,538.42	(156,005.57)	·	30	7.00%	3,679.75	194,435.50	684,212.81		
July	2004	(342,521.79)	371,538.42	(100,000.01)	518,793.94	31	7.00%	2,911.83	197,347.32	716,141.27		
August	2004	(366,655.27)	371,538.42		523,677.09	31	7.00%	3,084.34	200,431.66	724,108.75		
September		(338,604.82)	371,538.42		556,610.69	30	7.00%	3,012.94	203,444.60	760,055.29		
October	2004	(352,670.36)	371,538.42		575,478.74	31	7.00%	3,309.16	206,753.76	782,232.51		
	2004	(351,196.47)	371,538.42		595,820.69	30	7.00%	3,310.97	210,064.74	805,885.43		
December		(391,438.48)			575,920.63	31	7.00%	3,542.28	213,607.01	789,527.64		
January	2005	,			556,733.76	31	7.00%	3,423.97	217,030.98	773,764.74		
February	2005	(354,611.27)	371,538.42		573,660.90	28	7.00%	2,989.58	220,020.56	793,681.47		
March	2005	(426,557.89)	371,538.42		518,641.43	31	7.00%	3,410.53	223,431.10	742,072.53		
April May	2005 2005	(369,062.61) (329,054.49)	371,381.69 371,381.69		520,960.51 563,287.72	30 31	7.00% 7.00%	2,983.96 3,097.22	226,415.06 229,512.28	747,375.57 792,800.00		
June	2005	(376,179.77)	371,381.69	(401,944.04)		30	7.00%	3,240.83	232,753.11	389,298.71		
July	2005	(399,003.50)	371,381.69	(401,944.04)	128,923.79	31	7.00%	930.70	233,683.81	362,607.60		
August	2005	(447,535.65)	371,381.69		52,769.84	31	7.00%	766.48	234,450.28	287,220.12		
September		(381,330.38)	371,381.69		42,821.15	30	7.00%	303.61	234,753.89	277,575.04		
October	2005	(368,546.98)	371,381.69		45,655.86	31	7.00%	254.58	235,008.47	280,664.33		
November	2005	(363,296.74)	371,381.69		53,740.81	30	7.00%	262.68	235,271.15	289,011.96		
	2005	(409,885.77)	371,381.69		15,236.73	31	7.00%	319.50	235,590.65	250,827.38		
January	2006	(386,812.14)	278,536.25		(93,039.17)		7.00%	90.59	235,681.24	142,642.07		
February	2006	(382,865.93)	278,536.25		(197,368.85)		7.00%	(499.61)	235,181.63	37,812.78		
March	2006	(403,781.88)	278,536.25		(322,614.48)		7.00%	(1,173.40)	234,008.23	(88,606.25)		
April	2006	(360,611.02)	278,536.33		(404,689.17)		7.00%	(1,856.14)	232,152.09	(172,537.08)		
May	2006			(440 E04 00)	(404,689.17)		4.14%	(1,422.95)	230,729.14	(173,960.03)		
June	2006			(116,584.62)	· · ·		4.14%	(1,377.05)	229,352.09	(291,921.70)		
July August	2006 2006				(521,273.79) (521,273.79)		4.59% 4.59%	(2,032.11) (2,032.11)	227,319.98 225,287.86	(293,953.81)		
August September					(521,273.79) (521,273.79)		4.59%	(2,032.11)	225,287.86	(295,985.92) (297,952.48)		
October	2006				(521,273.79)		4.59%	(2,032.11)	223,321.31	(297,952.46)		
November					(521,273.79)		4.59%	(1,966.56)		(301,951.15)		
	1-000	1			(021,270.70)	1 30		(1,000.00)	2.0,022.07	(551,551.15)		

				T	Account Balance			Councins	Carrying	Account
Month	Year	PILS Collected	PILS Proxy	True up Variances	(before carrying	Days	Rate	Carrying Charges	Charges	Account Balance
	0000	ı		Variances	charges)	0.4	4.500/		(cumulative)	
December January	2006 2007				(521,273.79) (521,273.79)	31 31	4.59% 4.59%	(2,032.11) (2,032.11)	217,290.52 215,258.41	(303,983.26) (306,015.37)
February	2007				(521,273.79)	28	4.59%	(1,835.45)	213,422.96	(307,850.83)
March	2007				(521,273.79)	31	4.59%	(2,032.11)	211,390.85	(309,882.94)
April	2007				(521,273.79)	30	4.59%	(1,966.56)	209,424.29	(311,849.50)
May	2007				(521,273.79)	31	4.59%	(2,032.11)	207,392.18	(313,881.61)
June	2007				(521,273.79)	30	4.59%	(1,966.56)	205,425.62	(315,848.17)
July	2007				(521,273.79)	31	4.59%	(2,032.11)	203,393.51	(317,880.28)
August September	2007 2007				(521,273.79) (521,273.79)	31 30	4.59% 4.59%	(2,032.11) (1,966.56)	201,361.40 199,394.84	(319,912.39) (321,878.95)
October	2007				(521,273.79)	31	5.14%	(2,275.61)	197,119.23	(324,154.56)
	2007				(521,273.79)	30	5.14%	(2,202.20)	194,917.03	(326,356.76)
December	2007				(521,273.79)	31	5.14%	(2,275.61)	192,641.42	(328,632.37)
January	2008				(521,273.79)		5.14%	(2,275.61)	190,365.81	(330,907.98)
February	2008				(521,273.79)	29	5.14%	(2,128.80)	188,237.01	(333,036.78)
March	2008				(521,273.79)	31	5.14%	(2,275.61)	185,961.40	(335,312.39)
April May	2008 2008				(521,273.79) (521,273.79)	30 31	4.08% 4.08%	(1,748.05) (1,806.32)	184,213.35 182,407.03	(337,060.44) (338,866.76)
June	2008				(521,273.79)	30	4.08%	(1,748.05)	180,658.97	(340,614.81)
July	2008				(521,273.79)	31	3.35%	(1,483.13)	179,175.84	(342,097.95)
August	2008				(521,273.79)		3.35%	(1,483.13)	177,692.71	(343,581.08)
September					(521,273.79)	30	3.35%	(1,435.29)	176,257.42	(345,016.37)
October	2008				(521,273.79)	31	3.35%	(1,483.13)	174,774.29	(346,499.50)
	2008				(521,273.79)	30	3.35%	(1,435.29)	173,339.00	(347,934.78)
	2008				(521,273.79)	31	3.35%	(1,483.13)	171,855.87	(349,417.92)
January February	2009 2009				(521,273.79) (521,273.79)	31 28	2.45% 2.45%	(1,084.68) (979.71)	170,771.19 169,791.49	(350,502.59) (351,482.30)
March	2009				(521,273.79)	31	2.45%	(1,084.68)	168,706.81	(352,566.98)
April	2009				(521,273.79)	30	1.00%	(428.44)	168,278.36	(352,995.42)
May	2009				(521,273.79)	31	1.00%	(442.73)	167,835.64	(353,438.15)
June	2009				(521,273.79)	30	1.00%	(428.44)	167,407.19	(353,866.59)
July	2009				(521,273.79)	31	0.55%	(243.50)	167,163.69	(354,110.09)
August	2009				(521,273.79)	31	0.55%	(243.50)	166,920.20	(354,353.59)
September October	2009 2009				(521,273.79) (521,273.79)	30 31	0.55% 0.55%	(235.64) (243.50)	166,684.55 166,441.05	(354,589.24) (354,832.74)
	2009				(521,273.79)	30	0.55%	(235.64)	166,205.41	(355,068.38)
December	2009				(521,273.79)	31	0.55%	(243.50)	165,961.91	(355,311.88)
January	2010				(521,273.79)	31	0.55%	(243.50)	165,718.41	(355,555.38)
February	2010				(521,273.79)		0.55%	(219.93)		(355,775.31)
	2010				(521,273.79)		0.55%	(243.50)		
April May	2010 2010				(521,273.79)		0.55% 0.55%	(235.64) (243.50)	165,019.33 164,775.83	(356,254.46) (356,497.96)
June	2010				(521,273.79) (521,273.79)		0.55%	(235.64)		(356,733.60)
July	2010				(521,273.79)		0.89%	(394.03)		(357,127.63)
August	2010				(521,273.79)		0.89%	(394.03)	163,752.14	(357,521.65)
September					(521,273.79)	30	0.89%	(381.32)	163,370.82	(357,902.97)
October	2010				(521,273.79)		1.20%	(531.27)		(358,434.24)
	2010				(521,273.79)		1.20%	(514.13)		(358,948.37)
	2010 2011				(521,273.79)		1.20% 1.47%	(531.27) (650.81)	161,794.15 161,143.34	(359,479.64)
January February	2011				(521,273.79) (521,273.79)		1.47%	(587.83)		(360,130.45) (360,718.27)
March	2011				(521,273.79)		1.47%	(650.81)	159,904.71	(361,369.08)
April	2011				(521,273.79)		1.47%	(629.81)	159,274.89	(361,998.89)
May	2011				(521,273.79)	31	1.47%	(650.81)	158,624.09	(362,649.70)
June	2011				(521,273.79)		1.47%	(629.81)	·	(363,279.51)
July	2011				(521,273.79)		1.47%	(650.81)	157,343.47	(363,930.32)
August September	2011				(521,273.79) (521,273.79)		1.47% 1.47%	(650.81) (629.81)		(364,581.13)
October	2011				(521,273.79) (521,273.79)		1.47%	(650.81)	155,412.04	(365,210.94) (365,861.75)
	2011				(521,273.79)		1.47%	(629.81)	154,782.23	(366,491.56)
	2011				(521,273.79)		1.47%	(650.81)		(367,142.37)
January	2012				(521,273.79)		1.47%	(650.81)	·	(367,793.17)
February	2012				(521,273.79)		1.47%	(608.82)	152,871.80	(368,401.99)
March	2012				(521,273.79)		1.47%	(650.81)		(369,052.80)
April	2012				(521,273.79)	30	1.47%	(629.81)	151,591.18	(369,682.61)
		(22,059,724.55)	22,109,349.56	(570,898.80)	(521,273.79)			151,591.18	151,591.18	(369,682.61)