

| | A | B | C | D | E |
|----|--|-----|------|-----------------|----------------|
| 1 | PILs TAXES - EB-2011-0178 | | | | Version 2009.1 |
| 2 | REGULATORY INFORMATION (REGINFO) | | | | |
| 3 | Utility Name: Kingston Hydro Corporation | | | Colour Code | |
| 4 | January 1, 2003 - December 31, 2003 | | | Input Cell | |
| 5 | | | | Formula in Cell | |
| 6 | Days in reporting period: | 365 | days | | |
| 7 | Total days in the calendar year: | 365 | days | | |
| 8 | | | | | |
| 9 | BACKGROUND | | | | |
| 10 | Has the utility reviewed section 149(1) ITA to | | | | |
| 11 | confirm that it is not subject to regular corporate | | | | |
| 12 | tax (and therefore subject to PILs)? | | Y/N | Y | |
| 14 | Was the utility recently acquired by Hydro One | | | | |
| 15 | and now subject to s.89 & 90 PILs? | | Y/N | N | |
| 17 | Is the utility a non-profit corporation? | | Y/N | N | |
| 18 | (If it is a non-profit corporation, please contact the Rates Manager at the OEB) | | | | |
| 19 | Are the Ontario Capital Tax & Large Corporations Tax Exemptions | OCT | Y/N | Y | |
| 20 | shared among the corporate group? | LCT | Y/N | Y | |
| 21 | Please identify the % used to allocate the OCT and LCT exemptions in | OCT | | 100% | |
| 22 | Cells C65 & C74 in the TAXCALC spreadsheet. | LCT | | 100% | |
| 24 | Accounting Year End | | Date | 12-31-2003 | |
| 26 | MARR NO TAX CALCULATIONS | | | | Regulatory |
| 27 | SHEET #7 FINAL RUD MODEL DATA | | | | Income |
| 28 | (FROM 1999 FINANCIAL STATEMENTS) | | | | |
| 29 | USE BOARD-APPROVED AMOUNTS | | | | |
| 30 | | | | | |
| 31 | Rate Base (wires-only) | | | 24,210,042 | |
| 33 | Common Equity Ratio (CER) | | | 50.00% | |
| 35 | 1-CER | | | 50.00% | |
| 37 | Target Return On Equity | | | 9.88% | |
| 39 | Debt rate | | | 7.25% | |
| 41 | Market Adjusted Revenue Requirement | | | 2,073,590 | |
| 43 | 1999 return from RUD Sheet #7 | | | 1,547,868 | 1,547,868 |
| 45 | Total Incremental revenue | | | 525,722 | |
| 46 | Input: Board-approved dollar amounts phased-in | | | | |
| 47 | Amount allowed in 2001 | | | 175,241 | 175,241 |
| 48 | Amount allowed in 2002 | | | 175,241 | 175,241 |
| 49 | Amount allowed in 2003 and 2004 (will be zero due to Bill 210 | | | | 0 |
| 50 | unless authorized by the Minister and the Board) | | | | 0 |
| 51 | Amount allowed in 2005 - Third tranche of MARR re: CDM | | | | 0 |
| 52 | Other Board-approved changes to MARR or incremental revenue | | | | 0 |
| 53 | | | | | 0 |
| 54 | Total Regulatory Income | | | | 1,898,349 |
| 55 | | | | | |
| 56 | Equity | | | 12,105,021 | |
| 57 | | | | | |
| 58 | Return at target ROE | | | 1,195,976 | |
| 59 | | | | | |
| 60 | Debt | | | 12,105,021 | |
| 61 | | | | | |
| 62 | Deemed interest amount in 100% of MARR | | | 877,614 | |
| 63 | | | | | |
| 64 | Phase-in of interest - Year 1 (2001) | | | 729,278 | |
| 65 | ((D43+D47)/D41)*D61 | | | | |
| 66 | Phase-in of interest - Year 2 (2002) | | | 803,446 | |
| 67 | ((D43+D47+D48)/D41)*D61 | | | | |
| 68 | Phase-in of interest - Year 3 (2003) and forward | | | 803,446 | |
| 69 | ((D43+D47+D48)/D41)*D61 (due to Bill 210) | | | | |
| 70 | Phase-in of interest - 2005 | | | 877,614 | |
| 71 | | | | | |
| 72 | | | | | |

| | A | B | C | D | E | F | G | H |
|-----|---|------|------------------|---|----------------------------|------------------------------------|---------------------|---|
| 1 | PILs TAXES - EB-2011-0178 | ITEM | Initial Estimate | | M of F Filing Variance K-C | M of F Filing Variance Explanation | Tax Returns | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | | | | | | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | | | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | | | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: Kingston Hydro Corporation | | | | | | | |
| 7 | January 1, 2003 - December 31, 2003 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 365 | days | | | | Column Brought From | |
| 10 | Total days in the calendar year: | 365 | days | | | | TAXREC \$ | |
| 11 | | | | | | | | |
| 12 | | | \$ | | \$ | | | |
| 13 | | | | | | | | |
| 14 | II CORPORATE INCOME TAXES | | | | | | | |
| 15 | | | | | | | | |
| 16 | Regulatory Net Income REGINFO E53 | 1 | 1,898,349 | | 464,291 | | 2,362,640 | |
| 17 | | | | | | | | |
| 18 | BOOK TO TAX ADJUSTMENTS | | | | | | | |
| 19 | Additions: | | | | | | | |
| 20 | Depreciation & Amortization | 2 | 1,519,994 | | -47,852 | | 1,472,142 | |
| 21 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | 0 | |
| 22 | Tax reserves - beginning of year | 4 | | | 0 | | 0 | |
| 23 | Reserves from financial statements - end of year | 4 | | | 0 | | 0 | |
| 24 | Regulatory Adjustments - increase in income | 5 | | | 0 | | 0 | |
| 25 | Other Additions (See Tab entitled "TAXREC") | | | | | | | |
| 26 | "Material" Items from "TAXREC" worksheet | 6 | | | 0 | | 0 | |
| 27 | Other Additions (not "Material") "TAXREC" | 6 | | | 0 | | 0 | |
| 28 | "Material" Items from "TAXREC 2" worksheet | 6 | | | 0 | | 0 | |
| 29 | Other Additions (not "Material") "TAXREC 2" | 6 | | | 0 | | 0 | |
| 30 | Items on which true-up does not apply "TAXREC 3" | | | | 1,110,892 | | 1,110,892 | |
| 31 | | | | | | | | |
| 32 | Deductions: Input positive numbers | | | | | | | |
| 33 | Capital Cost Allowance and CEC | 7 | 1,000,872 | | 435,187 | | 1,436,059 | |
| 34 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | 0 | |
| 35 | Items Capitalized for Regulatory Purposes | 9 | 0 | | 0 | | 0 | |
| 36 | Regulatory Adjustments - deduction for tax purposes in Item 5 | 10 | | | 0 | | 0 | |
| 37 | Interest Expense Deemed/ Incurred | 11 | 803,446 | | 341,148 | | 1,144,594 | |
| 38 | Tax reserves - end of year | 4 | | | 0 | | 0 | |
| 39 | Reserves from financial statements - beginning of year | 4 | | | 0 | | 0 | |
| 40 | Contributions to deferred income plans | 3 | | | 0 | | 0 | |
| 41 | Contributions to pension plans | 3 | | | 0 | | 0 | |
| 42 | Interest capitalized for accounting but deducted for tax | 11 | | | 0 | | 0 | |
| 43 | Other Deductions (See Tab entitled "TAXREC") | | | | | | | |
| 44 | "Material" Items from "TAXREC" worksheet | 12 | | | 0 | | 0 | |
| 45 | Other Deductions (not "Material") "TAXREC" | 12 | | | 0 | | 0 | |
| 46 | Material Items from "TAXREC 2" worksheet | 12 | | | 0 | | 0 | |
| 47 | Other Deductions (not "Material") "TAXREC 2" | 12 | | | 0 | | 0 | |
| 48 | Items on which true-up does not apply "TAXREC 3" | | | | 1,263,226 | | 1,263,226 | |
| 49 | | | | | | | | |
| 50 | TAXABLE INCOME/ (LOSS) | | 1,614,025 | | -512,230 | Before loss C/F | 1,101,795 | |
| 51 | | | | | | | | |
| 52 | BLENDED INCOME TAX RATE | | | | | | | |
| 53 | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13 | 38.62% | | -2.9200% | | 35.70% | |
| 54 | | | | | | | | |
| 55 | REGULATORY INCOME TAX | | 623,337 | | -291,926 | Actual | 331,411 | |
| 56 | | | | | | | | |
| 57 | | | | | | | | |
| 58 | Miscellaneous Tax Credits | 14 | | | 0 | Actual | 0 | |
| 59 | | | | | | | | |
| 60 | Total Regulatory Income Tax | | 623,337 | | -291,926 | Actual | 331,411 | |
| 61 | | | | | | | | |
| 62 | | | | | | | | |
| 63 | III CAPITAL TAXES | | | | | | | |
| 64 | | | | | | | | |
| 65 | Ontario | | | | | | | |
| 66 | Base | 15 | 24,210,042 | | 6,770,781 | | 30,980,823 | |
| 67 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 16 | 5,000,000 | | 0 | | 5,000,000 | |
| 68 | Taxable Capital | | 19,210,042 | | 6,770,781 | | 25,980,823 | |
| 69 | | | | | | | | |
| 70 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 17 | 0.3000% | | 0.0000% | | 0.3000% | |
| 71 | | | | | | | | |
| 72 | Ontario Capital Tax | | 57,630 | | 20,312 | | 77,942 | |
| 73 | | | | | | | | |
| 74 | Federal Large Corporations Tax | | | | | | | |
| 75 | Base | 18 | 24,210,042 | | 7,386,826 | | 31,596,868 | |
| 76 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 | 19 | 10,000,000 | | 0 | | 10,000,000 | |
| 77 | Taxable Capital | | 14,210,042 | | 7,386,826 | | 21,596,868 | |
| 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) | | 31,973 | | 16,620 | | 48,593 | |
| 82 | Less: Federal Surtax 1.12% x Taxable Income | 21 | 18,077 | | -5,737 | | 12,340 | |
| 83 | | | | | | | | |
| 84 | Net LCT | | 13,896 | | 22,357 | | 36,253 | |
| 85 | | | | | | | | |
| 86 | III INCLUSION IN RATES | | | | | | | |
| 87 | | | | | | | | |
| 88 | Income Tax Rate used for gross-up (exclude surtax) | | 37.50% | | | | | |
| 89 | | | | | | | | |
| 90 | Income Tax (proxy tax is grossed-up) | 22 | 997,338 | | | Actual 2003 | 331,411 | |
| 91 | LCT (proxy tax is grossed-up) | 23 | 22,233 | | | Actual 2003 | 36,800 | |
| 92 | Ontario Capital Tax (no gross-up since it is deductible) | 24 | 57,630 | | | Actual 2003 | 77,942 | |
| 93 | | | | | | | | |
| 94 | | | | | | | | |
| 95 | Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION | 25 | 1,077,201 | | | Actual 2003 | 446,153 | |
| 96 | | | | | | | | |
| 97 | | | | | | | | |
| 98 | | | | | | | | |
| 99 | IV) FUTURE TRUE-UPS | | | | | | | |
| 100 | IV a) Calculation of the True-up Variance | | | | DR/(CR) | | | |
| 101 | In Additions: | | | | | | | |
| 102 | Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | | |
| 103 | Tax reserves deducted in prior year | 4 | | | 0 | | | |
| 104 | Reserves from financial statements-end of year | 4 | | | 0 | | | |
| 105 | Regulatory Adjustments | 4 | | | 0 | | | |
| 106 | Other additions "Material" Items TAXREC | 6 | | | 0 | | | |
| 107 | Other additions "Material" Items TAXREC 2 | 6 | | | 0 | | | |
| 108 | In Deductions - positive numbers | | | | | | | |
| 109 | Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | | |
| 110 | Items Capitalized for Regulatory Purposes | 9 | | | 0 | | | |
| 111 | Regulatory Adjustments | 10 | | | 0 | | | |
| 112 | Interest Adjustment for tax purposes (See Below - cell E206) | 11 | | | 258,232 | | | |
| 113 | Tax reserves claimed in current year | 4 | | | 0 | | | |
| 114 | Reserves from F/S beginning of year | 4 | | | 0 | | | |
| 115 | Contributions to deferred income plans | 3 | | | 0 | | | |
| 116 | Contributions to pension plans | 3 | | | 0 | | | |
| 117 | Other deductions "Material" Items TAXREC | 12 | | | 0 | | | |
| 118 | Other deductions "Material" Item TAXREC 2 | 12 | | | 0 | | | |
| 119 | | | | | | | | |
| 120 | Total TRUE-UPS before tax effect | 26 | | = | -258,232 | | | |
| 121 | | | | | | | | |
| 122 | Income Tax Rate (excluding surtax) from 2003 Utility's tax return | | | x | 38.70% | | | |

| | A | B | C | D | E | F | G | H |
|-----|---|------|------------------|---|----------------------------|------------------------------------|---------------------|---|
| 1 | PILs TAXES - EB-2011-0178 | ITEM | Initial Estimate | | M of F Filing Variance K-C | M of F Filing Variance Explanation | Tax Returns | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | | | | | | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | | | | |
| 4 | ("Wires-only" business - see Tab TAXREC) | | | | | | | |
| 5 | | | | | | | | |
| 6 | Utility Name: Kingston Hydro Corporation | 0 | | | | | Version 2009.1 | |
| 7 | January 1, 2003 - December 31, 2003 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 365 | days | | | | Column Brought From | |
| 10 | Total days in the calendar year: | 365 | days | | | | TAXREC | |
| 11 | | | | | | | \$ | |
| 12 | | | \$ | | \$ | | | |
| 13 | | | | | | | | |
| 123 | | | | | | | | |
| 124 | Income Tax Effect on True-up adjustments | | | = | -92,189 | | | |
| 125 | | | | | | | | |
| 126 | Less: Miscellaneous Tax Credits | 14 | | | 0 | | | |
| 127 | | | | | | | | |
| 128 | Total Income Tax on True-ups | | | | -92,189 | | | |
| 129 | | | | | | | | |
| 130 | Income Tax Rate used for gross-up (exclude surtax) | | | | 34.58% | | | |
| 131 | | | | | | | | |
| 132 | TRUE-UP VARIANCE ADJUSTMENT | | | | -140,918 | | | |
| 133 | | | | | | | | |
| 134 | IV b) Calculation of the Deferral Account Variance caused by changes in legislation. | | | | | | | |
| 135 | | | | | | | | |
| 136 | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) | | | = | 1,614,025 | | | |
| 137 | | | | | | | | |
| 138 | REVISED CORPORATE INCOME TAX RATE | | | X | 35.75% | | | |
| 139 | | | | | | | | |
| 140 | REVISED REGULATORY INCOME TAX | | | = | 576,207 | | | |
| 141 | | | | | | | | |
| 142 | Less: Revised Miscellaneous Tax Credits | | - | | 0 | | | |
| 143 | | | | | | | | |
| 144 | Total Revised Regulatory Income Tax | | | = | 576,207 | | | |
| 145 | | | | | | | | |
| 146 | Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58) | | - | | 623,337 | | | |
| 147 | | | | | | | | |
| 148 | Regulatory Income Tax Variance | | | = | -47,130 | | | |
| 149 | | | | | | | | |
| 150 | Ontario Capital Tax | | | | | | | |
| 151 | Base | | | = | 24,210,042 | | | |
| 152 | Less: Exemption from tab Tax Rates, Table 2, cell C39 | | - | | 5,000,000 | | | |
| 153 | Revised deemed taxable capital | | | = | 19,210,042 | | | |
| 154 | | | | | | | | |
| 155 | Rate - Tab Tax Rates cell C54 | | X | | 0.3000% | | | |
| 156 | | | | | | | | |
| 157 | Revised Ontario Capital Tax | | | = | 57,630 | | | |
| 158 | Less: Ontario Capital Tax reported in the initial estimate column (Cell C70) | | - | | 57,630 | | | |
| 159 | Regulatory Ontario Capital Tax Variance | | | = | 0 | | | |
| 160 | | | | | | | | |
| 161 | Federal LCT | | | | | | | |
| 162 | Base | | | = | 24,210,042 | | | |
| 163 | Less: Exemption from tab Tax Rates, Table 2, cell C40 | | - | | 10,000,000 | | | |
| 164 | Revised Federal LCT | | | = | 14,210,042 | | | |
| 165 | | | | | | | | |
| 166 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51 | | | | 0.2250% | | | |
| 167 | | | | | | | | |
| 168 | Gross Amount | | | = | 31,973 | | | |
| 169 | Less: Federal surtax | | - | | 18,077 | | | |
| 170 | Revised Net LCT | | | = | 13,896 | | | |
| 171 | | | | | | | | |
| 172 | Less: Federal LCT reported in the initial estimate column (Cell C82) | | - | | 13,896 | | | |
| 173 | Regulatory Federal LCT Variance | | | = | 0 | | | |
| 174 | | | | | | | | |
| 175 | Actual Income Tax Rate used for gross-up (exclude surtax) | | | | 34.58% | | | |
| 176 | | | | | | | | |
| 177 | Income Tax (grossed-up) | | + | | -72,041 | | | |
| 178 | LCT (grossed-up) | | + | | 0 | | | |
| 179 | Ontario Capital Tax | | + | | 0 | | | |
| 180 | | | | | | | | |
| 181 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT | | | = | -72,041 | | | |
| 182 | | | | | | | | |
| 183 | TRUE-UP VARIANCE (from cell I132) | | | + | -140,918 | | | |
| 184 | | | | | | | | |
| 185 | Total Deferral Account Entry (Positive Entry = Debit) | | | = | -212,960 | | | |
| 186 | (Deferral Account Variance + True-up Variance) | | | | | | | |
| 187 | | | | | | | | |
| 188 | | | | | | | | |
| 189 | | | | | | | | |
| 190 | V) INTEREST PORTION OF TRUE-UP | | | | | | | |
| 191 | Variance Caused By Phase-in of Deemed Debt | | | | | | | |
| 192 | | | | | | | | |
| 193 | Total deemed interest (REGINFO) | | | | 877,614 | | | |
| 194 | Interest phased-in (Cell C37) | | | | 803,446 | | | |
| 195 | | | | | | | | |
| 196 | Variance due to phase-in of debt component of MARR in rates according to the Board's decision | | | | 74,168 | | | |
| 197 | | | | | | | | |
| 198 | | | | | | | | |
| 199 | Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook) | | | | | | | |
| 200 | Interest deducted on MoF filing (Cell G37+G42) | | | | 7,135,845 | Rev. RNC Decision | | |
| 201 | Total deemed interest (REGINFO CELL D62) | | | | 877,614 | | | |
| 202 | | | | | | | | |
| 203 | Variance caused by excess debt | | | | 258,232 | | | |
| 204 | | | | | | | | |
| 205 | Interest Adjustment for Tax Purposes (carry forward to Cell E112) | | | | 258,232 | | | |
| 206 | | | | | | | | |
| 207 | | | | | | | | |
| 208 | Total Interest Variance | | | | -184,064 | | | |
| 209 | | | | | | | | |
| 210 | | | | | | | | |
| 211 | | | | | | | | |

| | A | B | C | D | E | F |
|----|---|------|------------|-----------------------------|----------------|---|
| 1 | PILs TAXES - EB-2011-0178 | LINE | M of F | Non-wires | Wires-only | |
| 2 | TAX RETURN RECONCILIATION (TAXREC) | | Corporate | Eliminations | Tax | |
| 3 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 4 | | 0 | Return | | | |
| 5 | | | | | Version 2009.1 | |
| 6 | Section A: Identification: | | | | | |
| 7 | Utility Name: Kingston Hydro Corporation | | | | | |
| 8 | January 1, 2003 - December 31, 2003 | | | | | |
| 9 | Taxation Year's start date: | | | | | |
| 10 | Taxation Year's end date: | | | | | |
| 11 | Number of days in taxation year: | | 365 | days | | |
| 12 | | | | | | |
| 13 | Please enter the Materiality Level : | | 30,263 | < - enter materiality level | | |
| 14 | (0.25% x Rate Base x CER) | Y/N | Y | | | |
| 15 | (0.25% x Net Assets) | Y/N | | | | |
| 16 | Or other measure (please provide the basis of the amount) | Y/N | | | | |
| 17 | Does the utility carry on non-wires related operation? | Y/N | | | | |
| 18 | (Please complete the questionnaire in the Background questionnaire worksheet.) | | | | | |
| 19 | | | | | | |
| 20 | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K | | | | | |
| 21 | | | | | | |
| 22 | Section B: Financial statements data: | | | | | |
| 23 | Input unconsolidated financial statement data submitted with Tax returns. | | | | | |
| 24 | The actual categories of the income statements should be used. | | | | | |
| 25 | If required please change the descriptions except for amortization, interest expense and provision for income tax | | | | | |
| 26 | | | | | | |
| 27 | Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts | | | | | |
| 28 | in the "non-wires elimination column" as negative values in TAXREC and TAXREC2. | | | | | |
| 29 | | | | | | |
| 30 | Income: | | | | | |
| 31 | Energy Sales | + | | | 0 | |
| 32 | Distribution Revenue | + | 55,503,772 | | 55,503,772 | |
| 33 | Other Income | + | | | 0 | |
| 34 | Miscellaneous income | + | 957,205 | | 957,205 | |
| 35 | | + | | | 0 | |
| 36 | Revenue should be entered above this line | | | | | |
| 37 | | | | | | |
| 38 | Costs and Expenses: | | | | | |
| 39 | Cost of energy purchased | - | 47,227,516 | | 47,227,516 | |
| 40 | Administration | - | 1,954,996 | | 1,954,996 | |
| 41 | Customer billing and collecting | - | 1,271,670 | | 1,271,670 | |
| 42 | Operations and maintenance | - | 2,172,013 | | 2,172,013 | |
| 43 | Amortization | - | 1,472,142 | | 1,472,142 | |
| 44 | Ontario Capital Tax | - | | | 0 | |
| 45 | Reg Asset movement | - | | | 0 | |
| 46 | | - | | | 0 | |
| 47 | | - | | | 0 | |
| 48 | | - | | | 0 | |
| 49 | | | | | | |
| 50 | Net Income Before Interest & Income Taxes EBIT | = | 2,362,640 | 0 | 2,362,640 | |
| 51 | Less: Interest expense for accounting purposes | - | 1,144,594 | | 1,144,594 | |
| 52 | Provision for payments in lieu of income taxes | - | 442,870 | | 442,870 | |
| 53 | Net Income (loss) | = | 775,176 | 0 | 775,176 | |
| 54 | (The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.) | | | | | |
| 55 | | | | | | |
| 56 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 57 | From T2 Schedule 1 | | | | | |
| 58 | BOOK TO TAX ADDITIONS: | | | | | |
| 59 | Provision for income tax | + | 394,025 | 0 | 394,025 | |
| 60 | Federal large corporation tax | + | | | 0 | |
| 61 | Depreciation & Amortization | + | 1,472,142 | 0 | 1,472,142 | |
| 62 | Employee benefit plans-accrued, not paid | + | | 0 | 0 | |
| 63 | Tax reserves - beginning of year | + | 0 | 0 | 0 | |
| 64 | Reserves from financial statements- end of year | + | | 0 | 0 | |
| 65 | Regulatory adjustments on which true-up may apply (see A66) | + | | | 0 | |
| 66 | Items on which true-up does not apply "TAXREC 3" | | 1,110,892 | 0 | 1,110,892 | |
| 67 | Material addition items from TAXREC 2 | + | 0 | 0 | 0 | |
| 68 | Other addition items (not Material) from TAXREC 2 | + | 0 | 0 | 0 | |
| 69 | | | | | | |
| 70 | Subtotal | | 2,977,059 | 0 | 2,977,059 | |
| 71 | | | | | | |
| 72 | Other Additions: (Please explain the nature of the additions) | | | | | |
| 73 | Recapture of CCA | + | | | 0 | |
| 74 | Non-deductible meals and entertainment expense | + | | | 0 | |
| 75 | Capital items expensed | + | | | 0 | |
| 76 | | + | 0 | | 0 | |
| 77 | | + | | | 0 | |
| 78 | | + | | | 0 | |
| 79 | | + | | | 0 | |
| 80 | Total Other Additions | = | 0 | 0 | 0 | |
| 81 | | | | | | |
| 82 | Total Additions | = | 2,977,059 | 0 | 2,977,059 | |
| 83 | | | | | | |
| 84 | Recap Material Additions: | | | | | |
| 85 | | | 0 | 0 | 0 | |
| 86 | | | 0 | 0 | 0 | |

| | A | B | C | D | E | F |
|-----|--|------|-----------|--------------|----------------|---|
| 1 | PILs TAXES - EB-2011-0178 | 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 | |
| 87 | | | 0 | 0 | 0 | |
| 88 | | | 0 | 0 | 0 | |
| 89 | | | 0 | 0 | 0 | |
| 90 | | | 0 | 0 | 0 | |
| 91 | | | 0 | 0 | 0 | |
| 92 | Total Other additions >materiality level | | 0 | 0 | 0 | |
| 93 | Other additions (less than materiality level) | | 0 | 0 | 0 | |
| 94 | Total Other Additions | | 0 | 0 | 0 | |
| 95 | | | | | | |
| 96 | BOOK TO TAX DEDUCTIONS: | | | | | |
| 97 | Capital cost allowance | - | 1,435,252 | | 1,435,252 | |
| 98 | Cumulative eligible capital deduction | - | 807 | | 807 | |
| 99 | Employee benefit plans-paid amounts | - | | | 0 | |
| 100 | Items capitalized for regulatory purposes | - | | | 0 | |
| 101 | Regulatory adjustments : | - | | | 0 | |
| 102 | CCA | - | | | 0 | |
| 103 | other deductions | - | | | 0 | |
| 104 | Tax reserves - end of year | - | 0 | 0 | 0 | |
| 105 | Reserves from financial statements- beginning of year | - | 0 | 0 | 0 | |
| 106 | Contributions to deferred income plans | - | | | 0 | |
| 107 | Contributions to pension plans | - | | | 0 | |
| 108 | Items on which true-up does not apply "TAXREC 3" | | 1,263,226 | 0 | 1,263,226 | |
| 109 | Interest capitalized for accounting deducted for tax | - | | | 0 | |
| 110 | Material deduction items from TAXREC 2 | - | 0 | 0 | 0 | |
| 111 | Other deduction items (not Material) from TAXREC 2 | - | 0 | 0 | 0 | |
| 112 | | | | | | |
| 113 | Subtotal | = | 2,699,285 | 0 | 2,699,285 | |
| 114 | Other deductions (Please explain the nature of the deductions) | | | | | |
| 115 | Charitable donations - tax basis | - | | | 0 | |
| 116 | Gain on disposal of assets | - | | | 0 | |
| 117 | | - | | | 0 | |
| 118 | | - | | | 0 | |
| 119 | | - | | | 0 | |
| 120 | Total Other Deductions | = | 0 | 0 | 0 | |
| 121 | | | | | | |
| 122 | Total Deductions | = | 2,699,285 | 0 | 2,699,285 | |
| 123 | | | | | | |
| 124 | Recap Material Deductions: | | | | | |
| 125 | | | 0 | 0 | 0 | |
| 126 | | | 0 | 0 | 0 | |
| 127 | | | 0 | 0 | 0 | |
| 128 | | | 0 | 0 | 0 | |
| 129 | | | 0 | 0 | 0 | |
| 130 | Total Other Deductions exceed materiality level | | 0 | 0 | 0 | |
| 131 | Other Deductions less than materiality level | | 0 | 0 | 0 | |
| 132 | Total Other Deductions | | 0 | 0 | 0 | |
| 133 | | | | | | |
| 134 | TAXABLE INCOME | = | 1,052,950 | 0 | 1,052,950 | |
| 135 | DEDUCT: | | | | | |
| 136 | Non-capital loss applied positive number | - | 0 | | 0 | |
| 137 | Net capital loss applied positive number | - | | | 0 | |
| 138 | | | | | 0 | |
| 139 | NET TAXABLE INCOME | = | 1,052,950 | 0 | 1,052,950 | |
| 140 | | | | | | |
| 141 | FROM ACTUAL TAX RETURNS | | | | | |
| 142 | Net Federal Income Tax (Must agree with tax return) | + | 253,971 | | 253,971 | |
| 143 | Net Ontario Income Tax (Must agree with tax return) | + | 77,440 | | 77,440 | |
| 144 | Subtotal | = | 331,411 | 0 | 331,411 | |
| 145 | Less: Miscellaneous tax credits (Must agree with tax returns) | - | | | 0 | |
| 146 | Total Income Tax | = | 331,411 | 0 | 331,411 | |
| 147 | | | | | | |
| 148 | FROM ACTUAL TAX RETURNS | | | | | |
| 149 | Net Federal Income Tax Rate (Must agree with tax return) | | 24.12% | | 24.12% | |
| 150 | Net Ontario Income Tax Rate (Must agree with tax return) | | 12.50% | | 12.50% | |
| 151 | Blended Income Tax Rate | | 36.62% | | 36.62% | |
| 152 | | | | | | |
| 153 | Section F: Income and Capital Taxes | | | | | |
| 154 | | | | | | |
| 155 | RECAP | | | | | |
| 156 | Total Income Taxes | + | 331,411 | 0 | 331,411 | |
| 157 | Ontario Capital Tax | + | 77,942 | | 77,942 | |
| 158 | Federal Large Corporations Tax | + | 36,800 | | 36,800 | |
| 159 | | | | | | |
| 160 | Total income and capital taxes | = | 446,153 | 0 | 446,153 | |
| 161 | | | | | | |