Pillat TAXES - EB-201-0178							
2 Tax and Accounting Reserves		A	В	С	D	E	F
2 Tax and Accounting Reserves 3 For MoF Column of TAXCALC 4 (for "wires-only" business - see s. 72 OEB Act) 5 To MoF Column of TAXCALC 7 Return 7 Return 8 Return 9 Version 2009.1 10 TAX RESERVES 10 To TAX RESERVES 11 To TAX RESERVES 11 To TAX RESERVES 12 To TAX RESERVES 13 To TAX RESERVES 14 To TAX RESERVES 15 To TAX RESERVES 16 To TAX RESERVES 17 To TAX RESERVES 18 To TAX RESERVES 19 To TAX RESERVES 19 To TAX RESERVES 10 TO TA	1	PILs TAXES - EB-2011-0178		M of F			_
Return	2	Tax and Accounting Reserves		Corporate	Eliminations		-
0 Version 2009.1	3	For MoF Column of TAXCALC		Tax		Return	
		(for "wires-only" business - see s. 72 OEB Act)		Return			
1 Williy Name: Kingston Hydro Corporation		0				Version 2009.1	
Reserve for doubtful accounts ss. 20(1)(f)							
10 TAX RESERVES							
10 1		Reporting period: 2005					
11 12 Beginning of Year:		TAY DECEDICE					
12 Beginning of Year:		TAX RESERVES					
13 Reserve for doubtful accounts ss. 20(1)(ii)		Beginning of Year:					
14 Reserve for doubtful accounts s. 20(1)(in) 0 0 16 Reserve for upgaid amounts s. 20(1)(in) 0 0 16 Reserve for upgaid amounts s. 20(1)(in) 0 0 17 Debt and share issue expenses s. 20(1)(in) 0 0 18 Other - Please describe 0 0 0 19 Other - Please describe 0 0 0 20 0 0 0 0 21 0 0 0 0 0 22 Total (carry forward to the TAXREC worksheet) 0 0 0 0 23 0 0 0 0 0 0 24 End of Year: 0 0 0 0 25 Reserve for doubtful accounts ss. 20(1)(ii) 0 0 0 0 26 Reserve for goods & services ss. 20(1)(iii) 0 0 0 0 27 Reserve for goods & services ss. 20(1)(iii) 0 0 0 0 28 Reserve for upgaid amounts ss. 20(1)(iii) 0 0 0 0 29 Debt and share issue expenses ss. 20(1)(iii) 0 0 0 0 20 Other - Please describe 0 0 0 0 0 31 Other - Please describe 0 0 0 0 0 32 Insert line above this line 0 0 0 0 0 0 0 0 0		20gmmig of rour.				0	
15 Reserve for upoal ad anounts as 20(1)(n) 0 0 0 17 Debt and share issue expenses as 20(1)(e) 0 0 0 0 0 0 0 0 0	14	Reserve for doubtful accounts ss. 20(1)(I)					
16 Reserve for unpaid amounts ss. 20(1)(n)							
18 Other - Please describe	16	Reserve for unpaid amounts ss.20(1)(n)				0	
19 Other - Please describe						0	
20							
21	_	Other - Please describe					
22 Total (carry forward to the TAXREC worksheet)				Andreas Andreas			
24	_	Total (corn) forward to the TAYDEC					
24 End of Year:		Total (carry forward to the TAXREC worksheet)		0	0	0	
25 Reserve for doubtful accounts ss. 20(1)(ii) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		End of Year:					
Reserve for doubtful accounts ss. 20(1)(i)		and of four.				0	-
27 Reserve for goods & services ss.20(1)(m) 0 0		Reserve for doubtful accounts ss. 20(1)(I)		0			
28 Reserve for unpaid amounts ss 20(1)(n) 9 Debt and share issue expenses ss 20(1)(e) 30 Other - Please describe 31 Other - Please describe 32 0 33							
Other - Please describe	28	Reserve for unpaid amounts ss.20(1)(n)				0	
Other - Please describe	29	Debt and share issue expenses ss.20(1)(e)				0	
32	THE RESERVE OF THE PERSON NAMED IN					0	
33 Insert line above this line		Other - Please describe					
Insert line above this line							
Total (carry forward to the TAXREC worksheet)		In a set line of a second big line				0	
36	$\overline{}$			0	0	0	
38 FINANCIAL STATEMENT RESERVES		Total (carry lorward to the TAXREC worksheet)		U	U	U	
38 FINANCIAL STATEMENT RESERVES							
39		FINANCIAL STATEMENT RESERVES					
41							
42 Legal claim provision 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 51 0 52 End of Year: 0 53 0 54 Legal claim provision 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	40	Beginning of Year:					
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 50 Total (carry forward to the TAXREC worksheet) 0 0 51	42	Legal claim provision					
45 Inventory obsolescence							
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 Legal claim provision 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 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 53 0 54 Legal claim provision 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							
48 Other - Please describe 0 49 0 0 50 Total (carry forward to the TAXREC worksheet) 0 0 51 0 0 52 End of Year: 0 53 0 0 54 Legal claim provision 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							
49 0							
50 Total (carry forward to the TAXREC worksheet) 0 0 51 0 0 52 End of Year: 0 53 0 0 54 Legal claim provision 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet) 0		z Trodo documo					-
51 52 End of Year: 53 0 54 Legal claim provision 55 Environmental 56 Allowance for doubtful accounts 57 Inventory obsolescence 58 Property taxes 59 Other - Please describe 60 Other - Please describe 61 0 62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet)	-	Total (carry forward to the TAXREC worksheet)		0	0		
53 0 54 Legal claim provision 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0	51			0	- C		
54 Legal claim provision 0 55 Environmental 0 56 Allowance for doubtful accounts 0 57 Inventory obsolescence 0 58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet) 0		End of Year:			SCHALL		
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						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							
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							
58 Property taxes 0 59 Other - Please describe 0 60 Other - Please describe 0 61 0 62 Insert line above this line 0 63 Total (carry forward to the TAXREC worksheet) 0 0							
59 Other - Please describe 0 60 Other - Please describe 0 61							
60 Other - Please describe 61 0 62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet) 0 0 0							
61 0 0 0 0 0 0 0 0 0 0 0 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		Care i loudo describe					
63 Total (carry forward to the TAXREC worksheet) 0 0 0		Insert line above this line				U	
64				n	0	0	
	64	,			U	0	

	Α	В	С	D	E	F
1						
	PILs TAXES - EB-2011-0178	LINE		Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)	-	Corporate	Eliminations	Tax	
5	(for "wires-only" business - see s. 72 OEB Act) RATEPAYERS ONLY	+	Tax		Return	
6	Shareholder-only items should be shown on TAXREC 3	+	Return		Version 2009.1	
7	onarcholder-only items should be shown on TAXREC 3	-			Version 2009.1	
	Utility Name: Kingston Hydro Corporation					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
	Materiality Level:		30,263			
12						
13						
	Section C: Reconciliation of accounting income to taxable income	-				
16	Add:					
17		+			0	
	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
22	Taxable capital gains	+			0	
	Scientific research expenditures deducted	+ +			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
	Debt issue expense	+		Contract of the Ar	0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
34	Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+			0	
	Provision for bad debts	+			0	
37		+			0	
38 39		+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
41	enter reactions. (produce explain in detail the nature of the item)	+			0	
42		+			0	
43		+			0	
44		+			0	
45 46	Takal Additions	+				
47	Total Additions	=	0	0	0	
	Recap of Material Additions:					
49		1348	0	0	0	
50			0	0		
51			0	0	0	
52			0	0		
53 54			0	0		
55			0	0		
56		17.20	0	0		
57		1	0	0		
58			0	0		
59		1	0	0		
60			0	0		
61 62		1	0	0		
63			0	0		
64		1	0	0		
65			0	0		
66		7.16	0	0		
67			0	0		
68		11.	0	0		
69			0	0		
70		-	0	0		
72		-	0	0		
73			0	0		
74			0	0	0	
			U	U	0	

3 TAX RETURN RECONCILLATION (TAXREC 2)		A	В	С	D	E	F
3 TAX RETURN RECONCILIATION (TAXREC 2)							
4 (for "wires-only" business - see s. 72 OEB Act) Tax Return			LINE		N. St. March	Wires-only	
Sareholder-only tems should be shown on TAXREC 3 Sareholder-only tems should be shown on TAXREC 3 Version 2001 Read Sulfitly Name: Kingston Hydro Corporation Sale Sulfitly	3	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations		
Saraholder-only Items should be shown on TAXREC 3 Version 2007						Return	
7				Return			
Secretary Secr		Shareholder-only Items should be shown on TAXREC 3			· ·	Version 2009.1	
9 Reporting period: 2005							
10 Number of days in taxation year: 30.55 11 Materiality Level: 50.285	8	Utility Name: Kingston Hydro Corporation					
11 Materiality Level:	40	Reporting period: 2005					
12							
13		materiality Level:		30,263			
75							
Total Material additions							
177 Total Material additions 0 0 0 0 0 0 0 0 0						0	
Total Additions		Total Material additions				0	
Total Additions			+			0	
80	79	Total Additions				0	
Beduct B		i otal / taalii offo		0	U	0	
Sain on disposal of assets per f/s		Deduct:	-				
83 Dividends not taxable under section 83 -			_			0	
Best Ferminal loss from Schedule 8						0	
Begin Depreciation in inventory, end of prior year -						0	
Scientific research expenses claimed in year from Form T661 -						0	
88 Bad debts	86	Scientific research expenses claimed in year from Form T661				0	
Seguity in income from subsidiary or affiliates -	87	Bad debts				0	
Seguity in income from subsidiary or affiliates -	88	Book income of joint venture or partnership	-			0	
90 Contributions to a qualifying environment trust -	89	Equity in income from subsidiary or affiliates				0	
91 Other income from financial statements -	90	Contributions to a qualifying environment trust	- 1			0	
93 94 95 Other deductions: (Please explain in detail the nature of the item) -	91	Other income from financial statements	-			0	
94 95 Other deductions: (Please explain in detail the nature of the item) -							
95 Other deductions: (Please explain in detail the nature of the item) -	93		-			0	
96 Non-taxable load transfers - 0			- 1			0	
97 OPEB costs capitalized included in Schedule 13	95	Other deductions: (Please explain in detail the nature of the item)	- 0			0	
98			- 1	0		0	
99 Total Deductions	97	OPEB costs capitalized included in Schedule 13	-			0	
100 101 Recap of Material Deductions:			- 3			0	
101 Recap of Material Deductions:		Total Deductions	=	0	0	0	
102 0 0 103 0 0 104 0 0 105 0 0 106 0 0 107 0 0 108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0							
103		Recap of Material Deductions:					
104 0 0 105 0 0 106 0 0 107 0 0 108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0			5/11/2			0	
105 0 0 106 0 0 107 0 0 108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
106 0 0 107 0 0 108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
107 0 0 108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0	_					0	
108 0 0 109 0 0 110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
109						0	
110 0 0 111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
111 0 0 112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
112 0 0 113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
113 0 0 114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0	112					0	
114 0 0 115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0	113					0	
115 0 0 116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0	114					0	
116 0 0 117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0						0	
117 0 0 118 0 0 119 Total Deductions exceed materiality level 0 0	116					0	
118	117		54			0	
119 Total Deductions exceed materiality level 0 0			67 e.s.			0	
		Total Deductions exceed materiality level	17.0			0	
120 Other deductions less than materiality level 0 0						0	
121 Total Deductions 0 0	121					0	
122	122					Ů.	

		T = 1				
-	Α	В	С	D	E	F
1	DII TAVEO ED CALLOUS					
2	PILs TAXES - EB-2011-0178					
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		-		Limitations		
-	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7			Return			
8	Utility Name: Kingston Hydro Corporation				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		365			
13						
14						
15		1				
	Section C: Reconciliation of accounting income to taxable income	-				
17	Add:	-				
18	Add:					
	Recapture of capital cost allowance	+			0	
	CCA adjustments	+	71,450		71,450	
	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
	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	+			0	
-	Non-deductible meals	+			0	
	Non-deductible club dues	+			0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
	Ontario capital tax adjustments		50,113		50,113	
39	- The state of the	+	30,113		30,113	
	Changes in Regulatory Asset balances	+			0	
	Regulatory adjustments	-	00.070			
	Regulatory Assets changes	+	26,076		26,076	
42	Other Additions (classes and in the little and the	+	283,420		283,420	_
	Other Additions: (please explain in detail the nature of the item)	+			0	
	Amortization of debt discount	+			0	
	Employee future benefits		1,059,462			
	Depreciation expensed via OM&A	+			0	
47	Total Additions on which true-up does not apply	= [1,490,521	0	431,059	
48						
49	Deduct:					
50						
	CCA adjustments	. 1				
52	CEC adjustments				0	
	Depreciation and amortization adjustments	-				
54	Gain on disposal of assets per financial statements	-			0	
54	Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
5/	Donations - amount deductible for tax purposes	-			0	
	Employee future benefits	-	1,075,407		1,075,407	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	78,449		78,449	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63				***************************************	0	
64	10000				0	
65		-				
66					0	
67		-			0	
	Other deductions, (Places symbols in del ""	-			0	
00	Other deductions: (Please explain in detail the nature of the item)	-			0	
	Prospectus & underwriting fees	-			0	
	RSVA	-			0	
	Bill 4 deferred revenue					
72	Deferred cost deductible (market ready)	-			0	
73	Removal costs for West Drive	-			0	
	Total Deductions on which true-up does not apply	= 1	1,153,856	0	1,153,856	
75	The state of the s	-	1,100,000	U	1,100,006	
76		\vdash				
_, ,						

Α	В	С	D	E	F
PILs TAXES - EB-2011-017			<u> </u>		l'
Corporate Tax Rates				٧	ersion 2009
Exemptions, Deductions, o					
Utility Name: Kingston Hyd	Iro Corporat	tion			
Reporting period: 2005					
7					Table 1
Rates Used in 2005 RAM P	Ls Applicat	ions for 2005			Table
9 Income Range		0		400,001	
0 RAM 2005		to		to	>1,128,000
1	Year	400,000		1,128,000	
2 Income Tax Rate	2005				
Proxy Tax Year Federal (Includes surtax)	2005	13.12%		17.75%	22.12%
5 and Ontario blended		5.50%		9.75%	14.00%
6 Blended rate		18.62%		27.50%	36.12%
7		10.0270		21.0070	00:1270
8 Capital Tax Rate		0.300%			
9 LCT rate		0.175%			
O Surtax		1.12%			
Ontario Capital Tax	MAX	7,500,000			
1 Exemption **	\$7.5MM	.,555,666			
Federal Large Corporations Tax	MAX	50,000,000			
Exemption **	\$50MM	50,000,000			
**Exemption amounts	must agra	e with the	Roard-ann	roved 200s	RAM
PILs filing	muət ayıt	o with the f	Joaru-appi	OVEU 2000	INMI
3					
4					
25					Table 2
6 Expected Income Tax Rates	s for 2005 a				
7 Income Range		0	250,001	400,001	
8 Expected Rates	V	to	to	to	>1,128,000
0 Income Tax Rate	Year	250,000	400,000	1,128,000	
1 Current year	2005			 	
2 Federal (Includes surtax)	2005	13.12%	22.12%	22.12%	22.12%
3 Ontario	2005	5.50%	5.50%	9.75%	14.00%
4 Blended rate	2005	18.62%	27.62%	31.87%	36.12%
5		(A)	A SHOULE		
6 Capital Tax Rate	2005	0.300%			
7 LCT rate	2005	0.200%			
8 Surtax	2005	1.12%			
Ontario Capital Tax	MAX	7,500,000			
Exemption *** 2005	\$7.5MM	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Federal Large	MAX	E0 000 000			
Corporations Tax Exemption *** 2005	\$50MM	50,000,000			
***Allocation of exemp	tione mus	teemple	ith the De-	rd'e instru	otions
vome velimes we exclude all a a		t comply w	itii the Boa	แนร เทรเทีย	ICTIONS
regarding regulated ac	tivities.				
					Table 3
Input Information from Utili	ty's Actual				
Income Range		0	250,001	400,001	. 4 400 000
	Vac-	to	to	to	>1,128,000
Income Tax Rate	Year	250,000	400,000	1,128,000	
Current, year	2005			 	
Federal (Includes surtax)	2005	13.12%	22.12%	22.12%	22.12%
1 Ontario		5.50%	5.50%	14.00%	14.00%
2 Blended rate		18.62%	27.62%	36.12%	36.12%
3		13.02 /0	21.02/0	00.12/0	30.12/0
4 Capital Tax Rate		0.300%			
5 LCT rate		0.175%			
6 Surtax		1.12%			
Ontario Capital Tax	MAX	7 7 7 7 7			
7 Exemption *	\$7.5MM	213,492			
Federal Large	MAX				100
In a m		0			
Corporations Tax	TO STATE OF THE PARTY OF THE PA				
Exemption *	\$50MM				
Exemption * * Include copies of the	actual tax	return allo	cation cal	culations in	n your
Exemption *	actual tax	return allo 11; federal	cation cald	culations in ule 36	n your

	Α	В	С	D	E	F	G	Н	I	J	K	L	M	N	0
1	PILs TAXES - EB-2011-0178														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Kingston Hydro	Corpo	oration												Version 2009.1
4	Reporting period: 2005				Sign Convention	on: 4	for increase;	- for	decrease						0
5															
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		354,796		282,764		155,547		-88,621		-320,280		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		354,796		1,077,201		1,431,997		1,165,900		269,300		333,844		4,633,038
	PILs proxy from April 1, 2005							0.707							
13	- input 9/12 of amount										751,148				751,148
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)						0								0
	True-up Variance	+/-													
15	Adjustment (3)						-62,204		-140,918		-38,778		-27,760		-269,660
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
17	Adjustment (5)				-7,417		-30,405		-72,041		-136,681		-10,802		-257,346
	Adjustments to reported	+/-											A SALES AND A		
18	prior years' variances (6)														0
19	Carrying charges (7)	+/-											2 * 2 g 1 \$* 2 2 2		0
	PILs billed to (collected	-			THE RESIDENCE		THE RESIDENCE OF THE PARTY OF T				A STATE OF THE PARTY OF				
20	from) customers (8)		0		-1,141,816		-1,466,605		-1,197,109		-1,076,649		-474,527		-5,356,706
21															
22	Ending balance: # 1562		354,796		282,764		155,547		-88,621		-320,280	•	-499,526		-499,526
23		1								-		-			

26 27 Uncollected PILs

25

28

29 30

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

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

- 31 32 33 34 35 36 37 (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13,
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 38 39 40 41 42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 43 44 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 46 47 48 49 50 (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.
- 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.
- (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, 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.
- 60 61 62 63 64 65 67 68 70 71 72 73 74 75 76 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.