

CNPI PILS OVERVIEW

OVERVIEW

As directed by the Board in its Decision and Order in the Account 1562 Deferred PILs Combined Proceeding [the “Combined Proceeding” EB-2008-0381], CNPI is seeking to dispose of PILs account balances for Fort Erie, Port Colborne, and Eastern Ontario Power.

Table 1 below summarizes the PILs balance for each business unit

Table 1

OEB Account 1562 Deferred PILs Credit Balance

	PILs Balance Owing to Customers
CNPI – Fort Erie	\$771,033
CNPI – EOP	89,875
CNPI – Port Colborne	258,123
	\$1,119,031

CNPI advises that this Application is made in accordance with the various decisions made in the course of the Combined Proceeding and that it has used Halton Hills Hydro Inc.’s revised spreadsheet implementation models for payment in lieu of taxes (“SIMPILS”) to calculate the balance in Account 1562 -- deferred PILs.

For Account 1562, CNPI submits that the allocation to customer classes should be performed on the basis of test year distribution revenue allocation to customer classes found in this 2013 Cost-of-Service rate application. Rate riders have been determined utilizing test year (2013) variable billing determinants.

CNPI is providing the following information in support of its application including:

- a) Active, auditable Excel workbooks of the following models:

- 1 • PILs proxies (see the Initial Estimate section on Sheet TAXCALC of the
- 2 SIMPILS models),
- 3 • SIMPILS models,
- 4 • Determination of PILS rate slivers
- 5 • Determination of PILS revenue recoveries, and
- 6 • PILs 1562 continuity schedule for the years 2001-2012.
- 7 b) Rate application filing models (final versions) that support the Board's decisions
- 8 for 2001 to 2005 for rates and the PILs proxies.
- 9 c) Board decisions for each year that an application was filed requesting PILs to be
- 10 included in rates.
- 11 d) Final tax returns and notices of assessment, for each tax period 2001-2005.
- 12 e) SIMPILS models for the tax years 2001-2005.
- 13 f) Determination of PILS Rate Slivers
- 14 g) Determination of PILS Revenue Recoveries
- 15 h) Audited Financial Statements
- 16 i) Deferred PILs 1562 continuity schedules for the period October 1, 2001 to
- 17 December , 2012 that show:
- 18
- 19 • PILs proxy amounts allowed for the number of months in each tax period
- 20 (as approved by the Board)
- 21 • Amounts billed to customers during the same tax periods. Supporting
- 22 Excel workbooks used to calculate the amounts billed to customers.
- 23 • Deferral account and true-up variances that are calculated in the SIMPILS
- 24 workbook TAXCALC sheet for each tax period.
- 25 • Interest Improvement using OEB approved prescribed interest rates.
- 26 Interest carrying charges have been determined using month opening
- 27 balances with no interest compounding as per OEB requirements. The
- 28 Q2 2012 rate has been used as a proxy to determine interest carrying
- 29 charges for the balance of 2012.

1 Items that should not true up to ratepayers under the methodology were isolated from those
2 items that are included in the true-up through the categorization of Schedule 1 adjustments
3 to taxable income under the TAXREC, TAXREC2, and TAXREC3 tabs of the SIMPILS
4 models.

5
6 CNPI has utilized the maximum rates approved in the combined proceeding (EB-2008-0381)
7 for SIMPILS true-up purposes. Over the period CNPI was subject to maximum tax rates with
8 no reductions due to small business deductions.

9
10 CNPI correctly accounted for the declining income tax rates and other changes in tax rules
11 and legislation during the period 2001-2005 in its SIMPIL model reconciliations as reflected
12 in the approved maximum tax rates.

13
14 CNPI confirms that it used data from its initial tax returns, and reviewed any tax adjustments
15 that appeared in notices of reassessment and statements of adjustments rendered by the
16 Ontario Ministry of Revenue, for the tax years 2001 through 2005 in calculating the final
17 balance in PILs account 1562. Adjustments were made where necessary.

18
19 CNPI confirms that the applicant excluded regulatory assets and liabilities when they were
20 created or collected, in the calculation of the final balance in its PILs account 1562. There
21 were no regulatory asset adjustments to taxable income over the period.

22
23 CNPI confirms that the tax years from 2001 through 2004 are statute-barred. As a result of
24 tax reassessments for 2005, it will not be statute barred until September 2013. CNPI
25 confirms that the proposed rate riders to dispose of the account balances are appropriate.
26 The materiality threshold has been set to zero in the SIMPILS models for purposes of truing
27 up items categorized as TAXREC2 items.

28

Issues Specific to CNPI

CNPI confirms the following unique issues are dealt with in the information it has filed in support of the clearance of Account 1562:

Fort Erie

Fort Erie was taxable prior to municipally owned LDCs, which were deemed to be taxable on October 1, 2001. As such, Fort Erie was recovering income taxes (not PILS) in distribution rates prior to October 1, 2001. To match the regulatory accounting requirement as prescribed by the OEB, the 1562 deferred PILS accounting process for Fort Erie follows the same timelines (October 1, 2001 to April 30, 2006).

Port Colborne

Port Colborne was leased by CNPI in April 2002, part way through the 2002 tax year. For 2002 CNPI has used a proxy for the 2002 tax year which compares the 2002 PILS approved in rates against a full year's allocated share of CNPI's corporate tax return (rather than 3 months under Port Colborne responsibility and 9 months under CNP responsibility). Port Colborne's actual Q4 2001 tax return was compared to the 2001 PILS determination included in rates.

Eastern Ontario Power

Eastern Ontario Power was acquired in April 2003. Prior to this there were no income taxes included in rates. The 1562 deferred PILS regulatory accounting process for EOP covers the period from April 1, 2003 to April 30, 2006.

Consolidated Tax Return and Financial Statements

Most LDCs file a separate tax return reflecting all of their distribution activities as they are single entities.

1 CNPI files a single tax return including the activities related to the 3 LDCs as well as
2 transmission activities. As a result of this consolidation taxes are paid at the highest
3 corporate tax rates. For regulatory accounting purposes CNPI has developed a
4 methodology to allocate each entity a fair share of the corporate tax return to enable the
5 utilization of SIMPILS true-up models. Similarly CNPI has developed a methodology to
6 allocate the revenue and expense components of CNPI's consolidated financial statements
7 to the 3 LDCs and Transmission activities.

8
9 In allocating the tax returns and financial statements between the regulated entities CNPI's
10 objective was to use a reasonable and fair allocation methodology. Similar to the allocation
11 of income tax for revenue requirement purposes net assets were used to allocate certain
12 Schedule 1 book to tax additions/deductions. Income statements were generally allocated
13 based on actual. The methodology to allocate specific accounts are included in the *SIMPIL*
14 *RRR FILING Tax Return Reconciliation* schedules (Exhibit 5, Schedules 1 to 5).

FORT ERIE REPORT

FORT ERIE REPORT

Application for Disposition

Fort Erie is applying to dispose a credit balance (owed to customers) of \$771,033 as per the attached continuity schedule (see Exhibit 2 Tab 1).

Allocation to Customer Classes

Fort Erie has used this 2013 Cost of Service (CoS) rate application's associated Distribution Revenue Requirement by customer class to allocate the 1562 Deferred PILs credit balance. A summary is provided below:

Rate Class	2013 Proposed DRR	Allocation %	Allocated 1562 Disposition Value (including interest to Dec 31, 2012)
Residential	\$ 6,931,683	56.29%	(434,027)
General Service < 50 kW	\$ 1,709,984	13.89%	(107,071)
General Service > 50 kW	\$ 3,235,758	26.28%	(202,607)
Sentinel Lights	\$ 58,244	0.47%	(3,647)
Street Lights	\$ 327,854	2.66%	(20,529)
Unmetered Scattered Load	\$ 50,359	0.41%	(3,153)
Total	\$ 12,313,882	100.00%	(771,033)

Rate Riders

Fort Erie is also using the variable billing determinants from this 2013 CoS rate application to determine the 1562 recovery rate riders. Fort Erie is applying to refund these amounts over a two year period. Please see rate rider calculations below:

Methodology

PILS Entitlement

Rate Class	Allocated 1562 Value	Recovery Period (years)	Annual Recovery Amount	2013 Proposed Billing Determinant (kWh / kW)	Proposed Rate Rider
Residential	(434,027)	2	(217,013)	114,771,086	(0.00189) per kWh
General Service < 50 kW	(107,071)	2	(53,535)	36,317,617	(0.00147) per kWh
General Service > 50 kW	(202,607)	2	(101,303)	331,331	(0.30575) per kW
Sentinel Lights	(3,647)	2	(1,823)	2,110	(0.86420) per kW
Street Lights	(20,529)	2	(10,264)	5,996	(1.71185) per kW
Unmetered Scattered Load	(3,153)	2	(1,577)	788,656	(0.00200) per kWh
Total	(771,033)	2	(385,517)		

The PILs entitlements utilized in the continuity schedule are based on approved PILs amounts included in approved distribution rates which are set out in Exhibit 2, Tab 4, Schedule 5 and duplicated in the table below:

Year	PILS Entitlement Amount	Effective Start Date	Effective End Date	Monthly Amount	Comments
2001	\$ 834,741	October 1, 2001	February 28, 2002	\$ 69,562	2001 Entitlement / 12 months
2002	\$ 711,994	March 1, 2002	Dec. 31, 2002	\$ 59,333	2002 Entitlement / 12 months
2003	\$ 711,994	Jan. 1, 2003	Dec. 31, 2003	\$ 59,333	2002 Entitlement / 12 months
2004	\$ 711,994	Jan. 1, 2004	March 31, 2004	\$ 59,333	2002 Entitlement / 12 months
2004	\$ 733,063	April 1, 2004	March 31, 2005	\$ 61,089	2004 Entitlement / 12 months
2005	\$ 711,994	April 1, 2005	Apr. 30, 2006	\$ 59,333	2005 Entitlement / 12 months

PILS Recoveries

The PILs recoveries utilized in the continuity schedule are derived from billing determinants and Board approved PILs rate slivers, as per the methodology used by the applicants in the combined proceeding. The PILs rate slivers for Fort Erie have been determined as per Exhibit 2 Tab 4 Schedule 6.

Fort Erie received PILS revenue from customers through both the fixed and variable charges over the entire October 2001 to April 2006 period due to its rate design. The PILs rate slivers derived in Exhibit 2, Tab 4, Schedule 6 have been applied to customer billing statistics in Exhibit 2, Tab 4, Schedule 1 to 4 to determine recoveries.

Unbilled Revenue

Fort Erie has utilized a 50% / 50% split of the rate change months billing determinants (kWh's, kW's and customers billed) to reasonably estimate the appropriate PILs recoveries from the transition months billings at both old and new rates.

In addition, Fort Erie has utilized the same 50% / 50% rule for the starting month (March 2002) and ending month (April 2006), again to reasonably estimate the PILs recoveries from customer consumptions.

The 50% / 50% unbilled split is based on evenly distributed billing cycles over the month. Billing cycles at the beginning of the month have little or no consumption at new rates, whereas billing cycles at the end of the month have the majority of the consumption at new rates. On average there is a 50% / 50% consumption split. Fort Erie utilized monthly billing cycles.

SIMPILS True-Up

The PILs amounts approved in rates (Initial Estimate) have been compared to the allocated share of CNPI's tax return using maximum true-up tax rates as approved in the combined proceeding. Schedule 1 adjustments to taxable income have been categorized under the TAXREC, TAXREC2, and TAXREC3 tabs of the SIMPILS models.

Interest Improvement

Interest improvement has been determined using OEB approved prescribed interest rates. Interest carrying charges have been determined using month opening balances with no interest compounding as per OEB requirements. The Q2 2012 rate has been used as a proxy to determine interest carrying charges for the balance of 2012.

FORT ERIE MONTHLY CONTINUITY SCHEDULE WITH INTEREST IMPROVEMENT

Canadian Niagara Power - Fort Erie

1562 Deferred PILS - Continuity Schedule

Year: **Q4 2001**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
October	\$ 69,561.75	\$ 32,631.85		\$ 36,929.90	\$ 36,929.90	7.25%	\$ -	\$ -	\$ 36,929.90
November	\$ 69,561.75	\$ 67,603.06		\$ 1,958.69	\$ 38,888.59	7.25%	\$ 223.12	\$ 223.12	\$ 39,111.71
December	\$ 69,561.75	\$ 70,736.03		-\$ 1,174.28	\$ 37,714.31	7.25%	\$ 234.95	\$ 458.07	\$ 38,172.38
Total	\$ 208,685.25	\$ 170,970.94	\$ -	\$ 37,714.31			\$ 458.07		

Year: **2002**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 69,561.75	\$ 75,277.20		-\$ 5,715.45	\$ 31,998.86	7.25%	\$ 227.86	\$ 685.93	\$ 32,684.79
February	\$ 69,561.75	\$ 71,540.06		-\$ 1,978.31	\$ 30,020.55	7.25%	\$ 193.33	\$ 879.25	\$ 30,899.80
March	\$ 59,332.83	\$ 66,471.09		-\$ 7,138.26	\$ 22,882.29	7.25%	\$ 181.37	\$ 1,060.63	\$ 23,942.91
April	\$ 59,332.83	\$ 59,025.12		\$ 307.71	\$ 23,190.00	7.25%	\$ 138.25	\$ 1,198.88	\$ 24,388.87
May	\$ 59,332.83	\$ 59,674.59		-\$ 341.76	\$ 22,848.24	7.25%	\$ 140.11	\$ 1,338.98	\$ 24,187.22
June	\$ 59,332.83	\$ 62,356.33		-\$ 3,023.50	\$ 19,824.74	7.25%	\$ 138.04	\$ 1,477.02	\$ 21,301.76
July	\$ 59,332.83	\$ 66,027.98	-\$ 23,997.00	\$ 30,692.15	\$ 10,867.41	7.25%	\$ 119.77	\$ 1,596.80	-\$ 9,270.61
August	\$ 59,332.83	\$ 64,891.63		-\$ 5,558.80	\$ 16,426.21	7.25%	\$ 65.66	\$ 1,531.14	-\$ 14,895.07
September	\$ 59,332.83	\$ 58,615.23		\$ 717.60	\$ 15,708.61	7.25%	\$ 99.24	\$ 1,431.90	-\$ 14,276.71
October	\$ 59,332.83	\$ 56,630.33		\$ 2,702.50	\$ 13,006.10	7.25%	\$ 94.91	\$ 1,336.99	-\$ 11,669.11
November	\$ 59,332.83	\$ 58,741.60		\$ 591.23	\$ 12,414.87	7.25%	\$ 78.58	\$ 1,258.41	-\$ 11,156.46
December	\$ 59,332.83	\$ 61,550.93		-\$ 2,218.09	\$ 14,632.97	7.25%	-\$ 75.01	\$ 1,183.41	-\$ 13,449.56
Total	\$ 732,451.83	\$ 760,802.11	-\$ 23,997.00	-\$ 52,347.28			\$ 725.34		

Year: **2003**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 59,332.83	\$ 66,499.93		-\$ 7,167.10	\$ 21,800.06	7.25%	-\$ 88.41	\$ 1,095.00	-\$ 20,705.06
February	\$ 59,332.83	\$ 63,202.17		-\$ 3,869.33	\$ 25,669.40	7.25%	-\$ 131.71	\$ 963.29	-\$ 24,706.11
March	\$ 59,332.83	\$ 63,346.44		-\$ 4,013.60	\$ 29,683.00	7.25%	-\$ 155.09	\$ 808.20	-\$ 28,874.80
April	\$ 59,332.83	\$ 60,836.60		-\$ 1,503.77	\$ 31,186.77	7.25%	-\$ 179.33	\$ 628.87	-\$ 30,557.90
May	\$ 59,332.83	\$ 58,516.73		\$ 816.10	\$ 30,370.67	7.25%	-\$ 188.42	\$ 440.45	-\$ 29,930.22
June	\$ 59,332.83	\$ 60,635.03		-\$ 1,302.20	\$ 31,672.87	7.25%	-\$ 183.49	\$ 256.96	-\$ 31,415.91
July	\$ 59,332.83	\$ 66,740.40	-\$ 133,583.00	\$ 140,990.57	\$ 172,663.44	7.25%	-\$ 191.36	\$ 65.60	-\$ 172,597.84
August	\$ 59,332.83	\$ 66,116.42		-\$ 6,783.59	\$ 179,447.03	7.25%	-\$ 1,043.17	\$ 977.57	-\$ 180,424.60
September	\$ 59,332.83	\$ 59,225.11		\$ 107.73	\$ 179,339.30	7.25%	-\$ 1,084.16	\$ 2,061.73	-\$ 181,401.03
October	\$ 59,332.83	\$ 58,209.77		\$ 1,123.06	\$ 178,216.24	7.25%	-\$ 1,083.51	\$ 3,145.24	-\$ 181,361.48
November	\$ 59,332.83	\$ 60,485.63		-\$ 1,152.79	\$ 179,369.03	7.25%	-\$ 1,076.72	\$ 4,221.96	-\$ 183,590.99
December	\$ 59,332.83	\$ 63,189.06		-\$ 3,856.23	\$ 183,225.26	7.25%	-\$ 1,083.69	\$ 5,305.65	-\$ 188,530.91
Total	\$ 711,994.00	\$ 747,003.30	-\$ 133,583.00	-\$ 168,592.30			-\$ 6,489.06		

Year: **2004**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 59,332.83	\$ 66,456.80		-\$ 7,123.97	\$ 190,349.23	7.25%	-\$ 1,106.99	\$ 6,412.64	-\$ 196,761.86
February	\$ 59,332.83	\$ 63,307.62		-\$ 3,974.78	\$ 194,324.01	7.25%	-\$ 1,150.03	\$ 7,562.66	-\$ 201,886.67
March	\$ 59,332.83	\$ 63,708.01		-\$ 4,375.18	\$ 198,699.19	7.25%	-\$ 1,174.04	\$ 8,736.70	-\$ 207,435.89
April	\$ 61,088.58	\$ 62,232.40		-\$ 1,143.82	\$ 199,843.01	7.25%	-\$ 1,200.47	\$ 9,937.18	-\$ 209,780.18
May	\$ 61,088.58	\$ 62,940.57		-\$ 1,851.99	\$ 201,695.00	7.25%	-\$ 1,207.38	\$ 11,144.56	-\$ 212,839.56
June	\$ 61,088.58	\$ 64,945.86		-\$ 3,857.27	\$ 205,552.27	7.25%	-\$ 1,218.57	\$ 12,363.14	-\$ 217,915.41
July	\$ 61,088.58	\$ 67,125.56	\$ 136,201.00	\$ 130,164.02	\$ 75,388.25	7.25%	-\$ 1,241.88	\$ 13,605.01	-\$ 88,993.26
August	\$ 61,088.58	\$ 67,452.54		-\$ 6,363.96	\$ 81,752.20	7.25%	-\$ 455.47	\$ 14,060.49	-\$ 95,812.69
September	\$ 61,088.58	\$ 65,220.64		-\$ 4,132.05	\$ 85,884.26	7.25%	-\$ 493.92	\$ 14,554.40	-\$ 100,438.66
October	\$ 61,088.58	\$ 62,045.10		-\$ 956.52	\$ 86,840.77	7.25%	-\$ 518.88	\$ 15,073.29	-\$ 101,914.06
November	\$ 61,088.58	\$ 64,270.97		-\$ 3,182.38	\$ 90,023.16	7.25%	-\$ 524.66	\$ 15,597.95	-\$ 105,621.11
December	\$ 61,088.58	\$ 68,410.31		-\$ 7,321.73	\$ 97,344.88	7.25%	-\$ 543.89	\$ 16,141.84	-\$ 113,486.73
Total	\$ 727,795.75	\$ 778,116.37	\$ 136,201.00	\$ 85,880.38			-\$ 10,836.19		

Canadian Niagara Power - Fort Erie

1562 Deferred PILS - Continuity Schedule

Year: 2005

	Approved PILS		SIMPILS True-Up	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue	Adjustments (neg = CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 61,088.58	\$ 68,919.69		-\$ 7,831.11	-\$ 105,175.99	7.25%	-\$ 588.13	-\$ 16,729.97	-\$ 121,905.96
February	\$ 61,088.58	\$ 67,081.79		-\$ 5,993.21	-\$ 111,169.20	7.25%	-\$ 635.44	-\$ 17,365.41	-\$ 128,534.60
March	\$ 61,088.58	\$ 65,542.73		-\$ 4,454.15	-\$ 115,623.35	7.25%	-\$ 671.65	-\$ 18,037.05	-\$ 133,660.40
April	\$ 59,332.83	\$ 62,188.02		-\$ 2,855.19	-\$ 118,478.54	7.25%	-\$ 698.56	-\$ 18,735.61	-\$ 137,214.15
May	\$ 59,332.83	\$ 60,201.89		-\$ 869.06	-\$ 119,347.60	7.25%	-\$ 715.81	-\$ 19,451.42	-\$ 138,799.02
June	\$ 59,332.83	\$ 66,570.25		-\$ 7,237.41	-\$ 126,585.01	7.25%	-\$ 721.06	-\$ 20,172.48	-\$ 146,757.49
July	\$ 59,332.83	\$ 68,297.61	-\$ 202,947.00	-\$ 211,911.77	-\$ 338,496.78	7.25%	-\$ 764.78	-\$ 20,937.26	-\$ 359,434.04
August	\$ 59,332.83	\$ 67,064.04		-\$ 7,731.20	-\$ 346,227.99	7.25%	-\$ 2,045.08	-\$ 22,982.35	-\$ 369,210.33
September	\$ 59,332.83	\$ 62,690.48		-\$ 3,357.65	-\$ 349,585.63	7.25%	-\$ 2,091.79	-\$ 25,074.14	-\$ 374,659.77
October	\$ 59,332.83	\$ 61,005.38		-\$ 1,672.55	-\$ 351,258.18	7.25%	-\$ 2,112.08	-\$ 27,186.22	-\$ 378,444.40
November	\$ 59,332.83	\$ 62,280.30		-\$ 2,947.47	-\$ 354,205.65	7.25%	-\$ 2,122.18	-\$ 29,308.40	-\$ 383,514.05
December	\$ 59,332.83	\$ 65,064.10		-\$ 5,731.26	-\$ 359,936.91	7.25%	-\$ 2,139.99	-\$ 31,448.40	-\$ 391,385.31
Total	\$ 717,261.25	\$ 776,906.28	-\$ 202,947.00	-\$ 262,592.03			-\$ 15,306.56		

Year: 2006

	Approved PILS		SIMPILS True-Up	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue	Adjustments (neg = CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 59,332.83	\$ 61,946.33		-\$ 2,613.50	-\$ 362,550.41	7.25%	-\$ 2,174.62	-\$ 33,623.02	-\$ 396,173.43
February	\$ 59,332.83	\$ 61,153.35		-\$ 1,820.52	-\$ 364,370.93	7.25%	-\$ 2,190.41	-\$ 35,813.42	-\$ 400,184.35
March	\$ 59,332.83	\$ 61,176.12		-\$ 1,843.29	-\$ 366,214.21	7.25%	-\$ 2,201.41	-\$ 38,014.83	-\$ 404,229.05
April	\$ 59,332.83	\$ 58,229.14		-\$ 1,103.69	-\$ 365,110.52	7.25%	-\$ 2,212.54	-\$ 40,227.38	-\$ 405,337.90
May		\$ 36,701.25		-\$ 36,701.25	-\$ 401,811.76	4.14%	-\$ 1,259.63	-\$ 41,487.01	-\$ 443,298.77
June					-\$ 401,811.76	4.14%	-\$ 1,386.25	-\$ 42,873.26	-\$ 444,685.02
July			-\$ 227,326.00	-\$ 227,326.00	-\$ 629,137.76	4.59%	-\$ 1,536.93	-\$ 44,410.19	-\$ 673,547.95
August					-\$ 629,137.76	4.59%	-\$ 2,406.45	-\$ 46,816.64	-\$ 675,954.41
September					-\$ 629,137.76	4.59%	-\$ 2,406.45	-\$ 49,223.09	-\$ 678,360.86
October					-\$ 629,137.76	4.59%	-\$ 2,406.45	-\$ 51,629.54	-\$ 680,767.31
November					-\$ 629,137.76	4.59%	-\$ 2,406.45	-\$ 54,036.00	-\$ 683,173.76
December					-\$ 629,137.76	4.59%	-\$ 2,406.45	-\$ 56,442.45	-\$ 685,580.21
Total	\$ 237,331.33	\$ 279,206.19	-\$ 227,326.00	-\$ 269,200.85			-\$ 24,994.05		

Year: 2007

	Approved PILS		SIMPILS True-Up	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue	Adjustments (neg = CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 58,848.90	-\$ 687,986.66
February				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 61,255.35	-\$ 690,393.12
March				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 63,661.80	-\$ 692,799.57
April				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 66,068.26	-\$ 695,206.02
May				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 68,474.71	-\$ 697,612.47
June				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 70,881.16	-\$ 700,018.92
July				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 73,287.61	-\$ 702,425.38
August				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 75,694.06	-\$ 704,831.83
September				\$ -	629,137.76	4.59%	-\$ 2,406.45	-\$ 78,100.52	-\$ 707,238.28
October				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 80,795.32	-\$ 709,933.09
November				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 83,490.13	-\$ 712,627.89
December				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 86,184.94	-\$ 715,322.70
Total	\$ -	\$ -	\$ -	\$ -			-\$ 29,742.49		

Year: 2008

	Approved PILS		SIMPILS True-Up	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue	Adjustments (neg = CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 88,879.74	-\$ 718,017.51
February				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 91,574.55	-\$ 720,712.31
March				\$ -	629,137.76	5.14%	-\$ 2,694.81	-\$ 94,269.36	-\$ 723,407.12
April				\$ -	629,137.76	4.08%	-\$ 2,139.07	-\$ 96,408.42	-\$ 725,546.19
May				\$ -	629,137.76	4.08%	-\$ 2,139.07	-\$ 98,547.49	-\$ 727,685.26
June				\$ -	629,137.76	4.08%	-\$ 2,139.07	-\$ 100,686.56	-\$ 729,824.33
July				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 102,442.90	-\$ 731,580.67
August				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 104,199.25	-\$ 733,337.01
September				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 105,955.59	-\$ 735,093.36
October				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 107,711.93	-\$ 736,849.70
November				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 109,468.28	-\$ 738,606.04
December				\$ -	629,137.76	3.35%	-\$ 1,756.34	-\$ 111,224.62	-\$ 740,362.38
Total	\$ -	\$ -	\$ -	\$ -			-\$ 25,039.68		

Canadian Niagara Power - Fort Erie

1562 Deferred PILS - Continuity Schedule

Year: 2009

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	629,137.76	2.45%	1,284.49	112,509.11	741,646.87
February				\$ -	629,137.76	2.45%	1,284.49	113,793.60	742,931.36
March				\$ -	629,137.76	2.45%	1,284.49	115,078.09	744,215.85
April				\$ -	629,137.76	1.00%	524.28	115,602.37	744,740.13
May				\$ -	629,137.76	1.00%	524.28	116,126.65	745,264.42
June				\$ -	629,137.76	1.00%	524.28	116,650.93	745,788.70
July				\$ -	629,137.76	0.55%	288.35	116,939.29	746,077.05
August				\$ -	629,137.76	0.55%	288.35	117,227.64	746,365.41
September				\$ -	629,137.76	0.55%	288.35	117,516.00	746,653.76
October				\$ -	629,137.76	0.55%	288.35	117,804.35	746,942.12
November				\$ -	629,137.76	0.55%	288.35	118,092.71	747,230.47
December				\$ -	629,137.76	0.55%	288.35	118,381.06	747,518.83
Total	\$ -	\$ -	\$ -	\$ -			\$ 7,156.44		

Year: 2010

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	629,137.76	0.55%	288.35	118,669.42	747,807.18
February				\$ -	629,137.76	0.55%	288.35	118,957.77	748,095.54
March				\$ -	629,137.76	0.55%	288.35	119,246.13	748,383.89
April				\$ -	629,137.76	0.55%	288.35	119,534.48	748,672.25
May				\$ -	629,137.76	0.55%	288.35	119,822.84	748,960.60
June				\$ -	629,137.76	0.55%	288.35	120,111.19	749,248.95
July				\$ -	629,137.76	0.89%	466.61	120,577.80	749,715.57
August				\$ -	629,137.76	0.89%	466.61	121,044.41	750,182.18
September				\$ -	629,137.76	0.89%	466.61	121,511.02	750,648.79
October				\$ -	629,137.76	1.20%	629.14	122,140.16	751,277.92
November				\$ -	629,137.76	1.20%	629.14	122,769.30	751,907.06
December				\$ -	629,137.76	1.20%	629.14	123,398.43	752,536.20
Total	\$ -	\$ -	\$ -	\$ -			\$ 5,017.37		

Year: 2011

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	629,137.76	1.47%	770.69	124,169.13	753,306.89
February				\$ -	629,137.76	1.47%	770.69	124,939.82	754,077.59
March				\$ -	629,137.76	1.47%	770.69	125,710.52	754,848.28
April				\$ -	629,137.76	1.47%	770.69	126,481.21	755,618.97
May				\$ -	629,137.76	1.47%	770.69	127,251.90	756,389.67
June				\$ -	629,137.76	1.47%	770.69	128,022.60	757,160.36
July				\$ -	629,137.76	1.47%	770.69	128,793.29	757,931.06
August				\$ -	629,137.76	1.47%	770.69	129,563.98	758,701.75
September				\$ -	629,137.76	1.47%	770.69	130,334.68	759,472.44
October				\$ -	629,137.76	1.47%	770.69	131,105.37	760,243.14
November				\$ -	629,137.76	1.47%	770.69	131,876.07	761,013.83
December				\$ -	629,137.76	1.47%	770.69	132,646.76	761,784.52
Total	\$ -	\$ -	\$ -	\$ -			\$ 9,248.33		

Year: 2012

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	629,137.76	1.47%	770.69	133,417.45	762,555.22
February				\$ -	629,137.76	1.47%	770.69	134,188.15	763,325.91
March				\$ -	629,137.76	1.47%	770.69	134,958.84	764,096.61
April				\$ -	629,137.76	1.47%	770.69	135,729.53	764,867.30
May				\$ -	629,137.76	1.47%	770.69	136,500.23	765,637.99
June				\$ -	629,137.76	1.47%	770.69	137,270.92	766,408.69
July				\$ -	629,137.76	1.47%	770.69	138,041.62	767,179.38
August				\$ -	629,137.76	1.47%	770.69	138,812.31	767,950.07
September				\$ -	629,137.76	1.47%	770.69	139,583.00	768,720.77
October				\$ -	629,137.76	1.47%	770.69	140,353.70	769,491.46
November				\$ -	629,137.76	1.47%	770.69	141,124.39	770,262.16
December				\$ -	629,137.76	1.47%	770.69	141,895.09	771,032.85
Total	\$ -	\$ -	\$ -	\$ -			\$ 9,248.33		

2001 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"				Version 2004.2
2	REGULATORY INFORMATION (REGINFO)				RRR # 2.1.8
3	Utility Name: Fort Erie				
4	Reporting period: Dec. 31, 2001				
5					
6	Days in reporting period:	92	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		57%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		28%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	MARR NO TAX CALCULATIONS				Regulatory Income
27	SHEET #7 FINAL RUD MODEL DATA				
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			21,170,240	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			1,813,231	
42					
43	1999 return from RUD Sheet #7			2,036,642	2,036,642
44					
45	Total Incremental revenue			-223,411	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			-223,411	-223,411
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
50	unless authorized by the Minister and the Board)				0
51					0
52					0
53	Total Regulatory Income				1,813,231
54					
55	Equity			10,585,120	
56					
57	Return at target ROE			1,045,810	
58					
59	Debt			10,585,120	
60					
61	Deemed interest amount in 100% of MARR			767,421	
62					
63	Phase-in of interest - Year 1 (2001)			861,976	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			767,421	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			767,421	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPL"	ITEM	Initial Estimate						M of F Filing Variance K-C	M of F Filing Variance	M of F Filing	
2	DEFERENTIAL/VARIANCE ACCOUNTS											
3	TAX CALCULATIONS (TAXCALC)											
4	("Wires-only" business - see Tab TAXREC)										(June)	
5	RRR # 2.1.8										Version 2004.2	
6			\$						\$		\$	
7	Utility Name: Fort Erie											
8	Reporting period: Dec. 31, 2001											Column Brought From TAXREC
9	Days in reporting period:	92	days									
10	Total days in the calendar year:	365	days									
11												
12												
13	II) CORPORATE INCOME TAXES											
14												
15	Regulatory Net Income REGINFO E53	1	453,308						-135,860		317,448	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions:											
20	Depreciation & Amortization	2	235,653						70,237		305,890	
21	Employee Benefit Plans - Accrued, Not Paid	3							0		0	
22	Tax reserves - beginning of year	4							58,097		58,097	
23	Reserves from financial statements - end of year	4							44,580		44,580	
24	Regulatory Adjustments - increase in income	5							0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6	26,719						-26,527		192	
27	Other Additions (not "Material") "TAXREC"	6							0		0	
28	"Material" Items from "TAXREC 2" worksheet	6							62,850		62,850	
29	Other Additions (not "Material") "TAXREC 2"	6	0						1,100		1,100	
30												
31	Deductions: Input positive numbers											
32	Capital Cost Allowance and CEC	7	219,358						131,562		350,920	
33	Employee Benefit Plans - Paid Amounts	8	37,500						-37,500		0	
34	Items Capitalized for Regulatory Purposes	9							61,600		61,600	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10							0		0	
36	Interest Expense Deemed/ Incurred	11	191,855						-106,084		85,771	
37	Tax reserves - end of year	4							46,376		46,376	
38	Reserves from financial statements - beginning of year	4							37,880		37,880	
39	Contributions to deferred income plans	3							0		0	
40	Contributions to pension plans	3							0		0	
41	Interest capitalized for accounting but deducted for tax	11							29,335		29,335	
42	Other Deductions (See Tab entitled "TAXREC")											
43	"Material" Items from "TAXREC" worksheet	12							0		0	
44	Other Deductions (not "Material") "TAXREC"	12							0		0	
45	Material Items from "TAXREC 2" worksheet	12							0		0	
46	Other Deductions (not "Material") "TAXREC 2"	12							0		0	
47												
48	TAXABLE INCOME/ (LOSS)		266,967						237,645	Before loss C/F	178,275	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%						0.0000%		40.62%	
52												
53	REGULATORY INCOME TAX		108,442						-107,597	Actual	845	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	Total Regulatory Income Tax		108,442						-107,597	Actual	845	
59												
60												
61	III) CAPITAL TAXES											
62												
63	Ontario											
64	Base	15	21,170,240						3,699,752		24,869,992	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	2,848,574						-2,160,406		688,168	
66	Taxable Capital		18,321,666						1,539,346		24,181,824	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		13,741						4,259		18,000	
71												
72	Federal Large Corporations Tax											
73	Base	18	21,170,240						5,961,688		27,131,928	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	2,848,574						2,603,766		5,452,340	
75	Taxable Capital		18,321,666						8,565,454		21,679,588	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						0.0000%		0.2250%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		10,306						1,889		12,195	
80	Less: Federal Surtax 1.12% x Taxable Income	21	2,990						-2,990		0	
81												
82	Net LCT		7,316						-1,101		12,195	
83												
84	III) INCLUSION IN RATES											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		40.62%									
87												
88	Income Tax (proxy tax is grossed-up)	22	182,624							Actual 2004	845	
89	LCT (proxy tax is grossed-up)	23	12,320							Actual 2004	12,195	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	13,741							Actual 2004	18,000	
91												
92												
93	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	208,685							Actual 2004	31,040	
94												
95												
96												
97	IV) FUTURE TRUE-UPS											
98	IV a) Calculation of the True-up Variance								DR/(CR)			
99	In Additions:											
100	Employee Benefit Plans - Accrued, Not Paid	3							0			
101	Tax reserves deducted in prior year	4							58,097			
102	Reserves from financial statements-end of year	4							44,580			
103	Regulatory Adjustments	5							0			
104	Other additions "Material" Items TAXREC	6							-26,527			
105	Other additions "Material" Items TAXREC 2	6							0	cell set to 0 to ensure loss on disposal ne		
106	In Deductions - positive numbers											
107	Employee Benefit Plans - Paid Amounts	8							-37,500			
108	Items Capitalized for Regulatory Purposes	9							61,600			
109	Regulatory Adjustments	10							0			
110	Interest Adjustment for tax purposes (See Below - cell I204)	11							0			
111	Tax reserves claimed in current year	4							46,376			
112	Reserves from F/S beginning of year	4							37,880			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							0			
115	Other deductions "Material" Items TAXREC	12							0			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26							-32,206			
119												
120	Income Tax Rate (excluding surtax) from 2004 Utility's tax return							x	40.62%			
121												
122	Income Tax Effect on True-up adjustments							=	-13,082			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								-13,082			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								39.50%			
129												
130	TRUE-UP VARIANCE ADJUSTMENT								(21,623)			

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILS TAX GROSS-UP "SIMPL"	ITEM	Initial						M of F	M of F	M of F	
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)								Variance	Variance	Variance	
4	("Wires-only" business - see TAB TAXREC)								K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.2	
6			\$						\$		\$	
131												
132	IV b) Calculation of the Deferral Account Variance caused											
133	by changes in legislation											
134	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							=	266,967			
135	estimate column)											
136	REVISED CORPORATE INCOME TAX RATE					x		=	40.62%			
137												
138	REVISED REGULATORY INCOME TAX							=	108,442			
139												
140	Less: Revised Miscellaneous Tax Credits					-		=	1,436			
141												
142	Total Revised Regulatory Income Tax							=	107,006			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell					-		=	108,442			
145	C58)											
146	Regulatory Income Tax Variance					=		=	(1,436)			
147												
148	Ontario Capital Tax											
149	Base							=	21,170,240			
150	Less: Exemption from tab Tax Rates, Table 2, cell C39					-		=	2,848,574			
151	Revised deemed taxable capital					=		=	18,321,666			
152												
153	Rate - Tab Tax Rates cell C54					x		=	0.3000%			
154												
155	Revised Ontario Capital Tax					=		=	13,741			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell					-		=	13,741			
157	C70)											
158	Regulatory Ontario Capital Tax Variance					=		=	0			
159												
159	Federal LCT											
160	Base							=	21,170,240			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40					-		=	2,848,574			
162	Revised Federal LCT					=		=	18,321,666			
163												
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51							=	0.2250%			
165												
166	Gross Amount							=	10,306			
167	Less: Federal surtax					-		=	2,990			
168	Revised Net LCT					=		=	7,316			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)					-		=	7,316			
171	Regulatory Federal LCT Variance					=		=	0			
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)							=	39.50%			
174												
175	Income Tax (grossed-up)					+		=	(2,374)			
176	LCT (grossed-up)					+		=	0			
177	Ontario Capital Tax					+		=	0			
178												
179	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT					=		=	(2,374)			
180												
181	TRUE-UP VARIANCE (from cell I130)					+		=	(21,623)			
182												
183	Total Deferral Account Entry (Positive Entry = Debit)					=		=	(23,997)			
184	(Deferral Account Variance + True-up Variance)											
185												
186												
187												
188	V) INTEREST PORTION OF TRUE-UP											
189	Variance Caused By Phase-in of Deemed Debt											
190												
191	Total deemed interest (REGINFO)							=	191,855			
192	Interest phased-in (Cell C36)							=	191,855			
193												
194	Variance due to phase-in of debt component of MARR in rates							=	0			
195	according to the Board's decision											
196												
197	Other Interest Variances (I.e. Borrowing Levels											
198	Above Deemed Debt per Rate Handbook)											
199	Interest deducted on MoF filing (Cell K36+K41)							=	115,106			
200	Total deemed interest (REGINFO CELL D61)							=	191,855			
201												
202	Variance caused by excess debt							=	0			
203												
204	Interest Adjustment for Tax Purposes (carry forward to Cell I110)							=	0			
205												
206	Total Interest Variance							=	0			
207												

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
6	Section A: Identification:					
7	Utility Name: Fort Erie					
8	Reporting period: Dec. 31, 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	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				
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	4,358,358		4,358,358	
32	Distribution Revenue	+			0	
33	Other Income	+	109,804		109,804	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	2,726,242		2,726,242	
40	Administration	-	385,576		385,576	
41	Customer billing and collecting	-	177,368		177,368	
42	Operations and maintenance	-	501,912		501,912	
43	Amortization	-	305,890		305,890	
44	Ontario Capital Tax	-	53,726		53,726	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	317,448	0	317,448	
51	Less: Interest expense for accounting purposes	-	85,771		85,771	
52	Provision for payments in lieu of income taxes	-	128,208		128,208	
53	Net Income (loss)	=	103,469	0	103,469	
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	+	128,208	0	128,208	
60	Federal large corporation tax	+	9,220		9,220	
61	Depreciation & Amortization	+	305,890	0	305,890	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	58,097	0	58,097	
64	Reserves from financial statements- end of year	+	44,580	0	44,580	
65	Regulatory adjustments	+	0	0	0	
66	Material addition items from TAXREC 2	+	62,850	0	62,850	
67	Other addition items (not Material) from TAXREC 2	+	1,100	0	1,100	
68						
69	<i>Subtotal</i>		609,945	0	609,945	
70						
71	<i>Other Additions: (Please explain the nature of the additions)</i>					
72	Recapture of CCA	+			0	
73	Non-deductible meals and entertainment expense	+			0	
74	Capital items expensed	+			0	
75	tax credits	+	192		192	
76		+			0	
77		+			0	
78		+			0	
79	<i>Total Other Additions</i>	=	192	0	192	
80						
81	<i>Total Additions</i>	=	610,137	0	610,137	
82						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
83	Recap Material Additions:					
84			0	0	0	
85			0	0	0	
86			0	0	0	
87	tax credits		192	0	192	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91	Total Other additions >materiality level		192	0	192	
92	Other deductions (less than materiality level)		0	0	0	
93	Total Other Additions		192	0	192	
94						
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	350,920		350,920	
97	Cumulative eligible capital deduction	-			0	
98	Employee benefit plans-paid amounts	-			0	
99	Items capitalized for regulatory purposes	-	61,600		61,600	
100	Regulatory adjustments :	-			0	
101	CCA	-			0	
102	other deductions	-	0	0	0	
103	Tax reserves - end of year	-	46,376	0	46,376	
104	Reserves from financial statements- beginning of year	-	37,880	0	37,880	
105	Contributions to deferred income plans	-			0	
106	Contributions to pension plans	-			0	
107	Interest capitalized for accounting deducted for tax	-	29,335	0	29,335	
108	Material deduction items from TAXREC 2	-	0	0	0	
109	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
110						
111	Subtotal	=	526,111	0	526,111	
112	Other deductions (Please explain the nature of the deductions)					
113	Charitable donations - tax basis	-	0	0	0	
114	Gain on disposal of assets	-			0	
115	Capital Tax	-			0	
116					0	
117		-			0	
118	Total Other Deductions	=	0	0	0	
119						
120	Total Deductions	=	526,111	0	526,111	
121						
122	Recap Material Deductions:					
123			0	0	0	
124			0	0	0	
125			0	0	0	
126			0	0	0	
127			0	0	0	
128	Total Other Deductions exceed materiality level		0	0	0	
129	Other Deductions less than materiality level		0	0	0	
130	Total Other Deductions		0	0	0	
131						
132	TAXABLE INCOME	=	187,495	0	187,495	
133	DEDUCT:					
134	Non-capital loss applied positive number	-			0	
135	Net capital loss applied positive number	-			0	
136					0	
137	NET TAXABLE INCOME	=	187,495	0	187,495	
138						
139	FROM ACTUAL TAX RETURNS					
140	Net Federal Income Tax (Must agree with tax return)	+	0		0	
141	Net Ontario Income Tax (Must agree with tax return)	+	845		845	
142	Subtotal	=	845	0	845	
143	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
144	Total Income Tax	=	845	0	845	
145						
146	FROM ACTUAL TAX RETURNS					
147	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
148	Net Ontario Income Tax Rate (Must agree with tax return)		0.45%		0.45%	
149	Blended Income Tax Rate		0.45%		0.45%	
150						
151	Section D: Detailed calculation of Ontario Capital Tax					
152						
153	ONTARIO CAPITAL TAX					
154	(From Ontario CT23)					
155	PAID-UP CAPITAL					
156						
157	Paid-up capital stock	+			0	
158	Retained earnings (if deficit, deduct)	+/-			0	
159	Capital and other surplus excluding	+			0	
160	appraisal surplus	+			0	
161	Loans and advances	+			0	

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
162	Bank loans	+			0	
163	Bankers acceptances	+			0	
164	Bonds and debentures payable	+			0	
165	Mortgages payable	+			0	
166	Lien notes payable	+			0	
167	Deferred credits	+			0	
168	Contingent, investment, inventory and similar reserves	+			0	
169	Other reserves not allowed as deductions	+			0	
170	Share of partnership(s), joint venture(s) paid-up capital	+			0	
171	Sub-total	=	0	0	0	
172	Subtract:					
173	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
174	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
175	Total (Net) Paid-up Capital	=	0	0	0	
176						
177	ELIGIBLE INVESTMENTS					
178						
179	Bonds, lien notes, interest coupons	+			0	
180	Mortgages due from other corporations	+			0	
181	Shares in other corporations	+			0	
182	Loans and advances to unrelated corporations	+			0	
183	Eligible loans and advances to related corporations	+			0	
184	Share of partnership(s) or joint venture(s) eligible investments	+			0	
185						
186	Total Eligible Investments	=	0	0	0	
187						
188						
189	TOTAL ASSETS					
190						
191	Total assets per balance sheet	+			0	
192	Mortgages or other liabilities deducted from assets	+			0	
193	Share of partnership(s)/ joint venture(s) total assets	+			0	
194	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
195						
196	Total assets as adjusted	=	0	0	0	
197						
198	Add: (if deducted from assets)					
199	Contingent, investment, inventory and similar reserves	+			0	
200	Other reserves not allowed as deductions	+			0	
201	Subtract:				0	
202	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
203	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
204	Subtract: Appraisal surplus if booked	-			0	
205	Add or subtract: Other adjustments	+/-			0	
206						
207	Total Assets	=	0	0	0	
208						
209						
210	Investment Allowance		0	0	0	
211						
212	Taxable Capital					
213						
214	Net paid-up capital	+	24,869,992	0	24,869,992	
215	Subtract: Investment Allowance	-	0	0	0	
216						
217	Taxable Capital	=	24,869,992	0	24,869,992	
218						
219	Capital Tax Calculation					
220	Deduction from taxable capital up to maximum of \$5,000,000		688,168	0	688,168	
221	(Input in tab Tax Rates)					
222	Net Taxable Capital		24,181,824	0	24,181,824	
223						
224	Rate		0.3000%	0.3000%	0.3000%	
225						
226	Days in taxation year		92	92	92	
227	Divide days by 365		0.25	0.25	0.25	
228						
229	Ontario Capital Tax (Must agree with CT23 return)		18,000	0	18,000	
230						
231	Section E: Detailed calculation of Large Corporation Tax					
232						
233	LARGE CORPORATION TAX					
234	(From Federal Schedule 33)					
235	CAPITAL					
236	ADD:					

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
237	Reserves that have not been deducted in computing income for the year under Part I	+			0	
238	Capital stock	+			0	
239	Retained earnings	+			0	
240	Contributed surplus	+			0	
241	Any other surpluses	+			0	
242	Deferred unrealized foreign exchange gains	+			0	
243	All loans and advances to the corporation	+			0	
244	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
245	Any dividends declared but not paid	+			0	
246	All other indebtedness outstanding for more than 365 days	+			0	
247						
248	Subtotal	=	0	0	0	
249						
250	DEDUCT:					
251	Deferred tax debit balance	-			0	
252	Any deficit deducted in computing shareholders' equity	-			0	
253	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
254	Deferred unrealized foreign exchange losses	-			0	
255						
256	Subtotal	=	0	0	0	
257						
258	Capital for the year		0	0	0	
259						
260	INVESTMENT ALLOWANCE					
261						
262	Shares in another corporation	+			0	
263	Loan or advance to another corporation	+			0	
264	Bond, debenture, note, mortgage, or	+			0	
265	similar obligation of another corporation	+			0	
266	Long term debt of financial institution	+			0	
267	Dividend receivable from another corporation	+			0	
268	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
269	Interest in a partnership	+			0	
270						
271	Investment Allowance	=	0	0	0	
272						
273						
274	TAXABLE CAPITAL					
275						
276	Capital for the year	=	27,131,928	0	27,131,928	
277						
278	Deduct: Investment allowance	-	0	0	0	
279						
280	Taxable Capital for taxation year	=	27,131,928	0	27,131,928	
281						
282	Deduct: Capital Deduction - maximum of \$50,000,000	-	5,452,340	0	5,452,340	
283	(Input in tab 'Tax Rates')					
284	Taxable Capital	=	21,679,588	0	21,679,588	
285						
286	Rate 0.225% in 2002 and 2003; 0.200% in 2004		0.22500%	0.22500%	0.22500%	
287						
288	Days in year		92	92	92	
289	Divide days by 366		0.2521	0.2521	0.2521	
290						
291	Gross Part I.3 Tax LCT (Must agree with tax return)	=	12,195	0	12,195	
292						
293	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
294						
295	Less: Federal Surtax = Actual Surtax from tax return	-	0		0	
296						
297	Net Part I.3 Tax - LCT Payable (Must agree with tax return)	=	12,195	0	12,195	
298	(If surtax is greater than Gross LCT, then zero)					
299						
300	Section F: Income and Capital Taxes					
301						
302	RECAP FROM ABOVE:					
303	Total Income Taxes	+	845	0	845	
304	Ontario Capital Tax	+	18,000	0	18,000	
305	Federal Large Corporations Tax	+	12,195	0	12,195	
306						
307	Total income and capital taxes	=	31,040	0	31,040	
308						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	RRR # 2.1.8				Version 2004.2	
6						
7	Utility Name: Fort Erie					
8	Reporting period: Dec. 31, 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		58,097		58,097	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other				0	
19	Other				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		58,097	0	58,097	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		46,376		46,376	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other				0	
31	Other				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		46,376	0	46,376	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		37,880		37,880	
48	Other				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		37,880	0	37,880	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		44,580		44,580	
60	Other				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		44,580	0	44,580	
64						

	A	B	C	D	E	F
1						
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.2	
7						
8	Utility Name: Fort Erie					
9	Reporting period: Dec. 31, 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		0			
12						
13	Section C: Reconciliation of accounting income to taxable income					
14	Add:					
15	Recapture of capital cost allowance	+			0	
16	Gain on sale of eligible capital property	+			0	
17	Income or loss for tax purposes- joint ventures or partnerships	+			0	
18	Loss in equity of subsidiaries and affiliates	+			0	
19	Loss on disposal of assets	+	62,816		62,816	
20	Charitable donations	+	34		34	
21	Taxable capital gains	+			0	
22	Depreciation in inventory -end of year	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Non-deductible club dues and fees	+			0	
27	Non-deductible automobile expenses	+			0	
28	Non-deductible life insurance premiums	+			0	
29	Soft costs on construction and renovation of buildings	+			0	
30	Non-deductible meals and entertainment	+	1,100		1,100	
31	Book loss on joint ventures or partnerships	+			0	
32	Capital items expensed	+			0	
33	Debt issue expense	+			0	
34	Deemed dividend income	+			0	
35	Dividends credited to investment account	+			0	
36	Financing fees deducted in books	+			0	
37	Gain on settlement of debt	+			0	
38	Interest paid on income debentures	+			0	
39	Recapture of SR&ED expenditures	+			0	
40	Share issue expense	+			0	
41	Write down of capital property	+			0	
42	Amounts received in respect of qualifying environment trust	+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Debt financing expenses	+			0	
45	Amortization of deferred financing costs	+			0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			0	
53		+				
54	Total Additions	=	63,950	0	63,950	
55						
56	Recap of Material Additions:					
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61	Loss on disposal of assets		62,816	0	62,816	
62	Charitable donations		34	0	34	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78			0	0	0	
79			0	0	0	

	A	B	C	D	E	F
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.2	
80			0	0	0	
81			0	0	0	
82			0	0	0	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
95	Total Material additions		62,850	0	62,850	
96	Other additions less than materiality level		1,100	0	1,100	
97	Total Additions		63,950	0	63,950	
98						
99	Deduct:					
100	Gain on disposal of assets per f/s	-			0	
101	Dividends not taxable under section 83	-			0	
102	Terminal loss from Schedule 8	-			0	
103	Depreciation in inventory, end of prior year	-			0	
104	Scientific research expenses claimed in year from Form T661	-			0	
105	Bad debts	-			0	
106	Book income of joint venture or partnership	-			0	
107	Equity in income from subsidiary or affiliates	-			0	
108	Contributions to a qualifying environment trust	-			0	
109	Other income from financial statements	-			0	
110	Other deductions: (Please explain in detail the nature of the item)	-				
111	Imputed interest on Reg Assets	-			0	
112	Ont Cap Tax	-	0	0	0	
113	employee future benefit expense	-			0	
114		-			0	
115		-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120		-			0	
121		-			0	
122	Total Deductions	=	0	0	0	
123						
124	Recap of Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130			0	0	0	
131			0	0	0	
132			0	0	0	
133			0	0	0	
134			0	0	0	
135			0	0	0	
136			0	0	0	
137			0	0	0	
138			0	0	0	
139			0	0	0	
140			0	0	0	
141			0	0	0	
142			0	0	0	
143			0	0	0	
144			0	0	0	
145			0	0	0	
146	Total Deductions exceed materiality level		0	0	0	
147	Other deductions less than materiality level		0	0	0	
148	Total Deductions		0	0	0	
149						

	A	B	C	D	E	F	G	H	I	J
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"									
2	Corporate Tax Rates					Version 2004.2				
3	Exemptions, Deductions, or Thresholds					RRR # 2.1.8				
4	Utility Name: Fort Erie									
5	Reporting period: Dec. 31, 2001									
6										
7										
8	Table 1									
8	Rates Used in 2002 RAM PILs Applications									
9	Income Range		0		200,001					
10	RAM 2002		to		to	>700,000				
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)									
15	and Ontario blended		40.62%		40.62%	40.62%				
16	Blended rate		40.62%	0.00%	40.62%	40.62%				
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	2,848,574							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	2,848,574							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Rates and Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates 2004		to	to	to	>1,128,000				
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)		22.12%	22.12%	22.12%	22.12%				
33	Ontario		14.00%	14.00%	14.00%	14.00%				
34	Blended rate		36.12%	36.12%	36.12%	36.12%				
35										
36	Capital Tax Rate		0.300%							
37	LCT rate		0.200%							
38	Surtax		1.12%							
39	Ontario Capital Tax Exemption ***	MAX \$5MM	2,848,574							
40	Federal Large Corporations Tax Exemption ***	MAX \$50MM	2,848,574							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to	>1,128,000				
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		22.12%	22.12%	22.12%	22.12%				
51	Ontario		14.00%	14.00%	14.00%	14.00%				
52	Blended rate		36.12%	36.12%	36.12%	36.12%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	688,168							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	5,452,340							
59	* Include copies of the actual tax return allocation calculations in your submission:									
60	Ontario CT23 page 11; federal T2 Schedule 36									
61										
62										
63										
64										

[illegible]

2002 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Fort Erie			Colour Code	
4	Reporting period: 2002			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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		57%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		28%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			21,170,240	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			1,813,231	
42					
43	1999 return from RUD Sheet #7			2,036,642	2,036,642
44					
45	Total Incremental revenue			-223,411	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			-223,411	-223,411
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				1,813,231
55					
56	Equity			10,585,120	
57					
58	Return at target ROE			1,045,810	
59					
60	Debt			10,585,120	
61					
62	Deemed interest amount in 100% of MARR			767,421	
63					
64	Phase-in of interest - Year 1 (2001)			861,976	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			767,421	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			767,421	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			767,421	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Fort Erie							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13							\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	1,813,231		-628,526		1,184,705	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	942,613		451,291		1,393,904	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			349,277		349,277	
23	Reserves from financial statements - end of year	4			438,392		438,392	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			668		668	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			1,352		1,352	
29	Other Additions (not "Material") "TAXREC 2"	6	24,128		-24,128		0	
30	Items on which true-up does not apply "TAXREC 3"				16,882		16,882	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	877,433		549,164		1,426,597	
34	Employee Benefit Plans - Paid Amounts	8	150,000		-150,000		0	
35	Items Capitalized for Regulatory Purposes	9	0		392,795		392,795	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	767,421		-224,658		542,763	
38	Tax reserves - end of year	4			332,378		332,378	
39	Reserves from financial statements - beginning of year	4			430,698		430,698	
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			11,595		11,595	
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"				400,683		400,683	
49								
50	TAXABLE INCOME/ (LOSS)		985,118		(1,137,447)	Before loss C/F	(152,329)	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-38.6200%		0.00%	
54								
55	REGULATORY INCOME TAX		380,453		-381,176	Actual	-723	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		380,453		-381,176	Actual	-723	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	21,170,240		5,803,194		26,973,434	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	2,848,574		-1,394,232		1,454,342	
68	Taxable Capital		18,321,666		4,408,962		25,519,092	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		54,965		21,592		76,557	
73								
74	Federal Large Corporations Tax							
75	Base	18	21,170,240		8,380,370		29,550,610	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	2,848,574		488,642		3,337,216	
77	Taxable Capital		18,321,666		8,869,012		26,213,394	
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)		41,224		17,756		58,980	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,033		-11,033		0	
83								
84	Net LCT		30,190		28,790		58,980	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Fort Erie							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
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	608,724			Actual 2002	-723	
91	LCT (proxy tax is grossed-up)	23	48,305			Actual 2002	58,980	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	54,965			Actual 2002	76,558	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	711,994			Actual 2002	134,815	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			349,277			
104	Reserves from financial statements-end of year	4			438,392			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			668			
107	Other additions "Material" Items TAXREC 2	6			1,352			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-150,000			
110	Items Capitalized for Regulatory Purposes	9			392,795			
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			332,378			
114	Reserves from F/S beginning of year	4			430,698			
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		=	-216,182			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-83,489			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-83,489			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(133,583)			
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)			=	985,118			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	380,453			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	380,453			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	380,453			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Fort Erie							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12							\$	
13								
150	Ontario Capital Tax							
151	Base			=	21,170,240			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	2,848,574			
153	Revised deemed taxable capital			=	18,321,666			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	54,965			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	54,965			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				21,170,240			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	2,848,574			
164	Revised Federal LCT			=	18,321,666			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				41,224			
169	Less: Federal surtax			-	11,033			
170	Revised Net LCT			=	30,190			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	30,190			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(133,583)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(133,583)			
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)				767,421			
194	Interest phased-in (Cell C36)				767,421			
195								
196	Variance due to phase-in of debt component of MARR in rates				0			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				554,358			
202	Total deemed interest (REGINFO CELL D61)				767,421			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				0			
209								

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4		0	Return		
5					Version 2009.1
6	Section A: Identification:				
7	Utility Name: Fort Erie				
8	Reporting period: 2002				
9	Taxation Year's start date:				
10	Taxation Year's end date:				
11	Number of days in taxation year:		365	days	
12					
13	Please enter the Materiality Level :		0	< - enter materiality level	
14	(0.25% x Rate Base x CER)	Y/N			
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>				
24	<i>The actual categories of the income statements should be used.</i>				
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>				
26					
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>				
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>				
29					
30	Income:				
31	Energy Sales	+	26,409,131		26,409,131
32	Distribution Revenue	+	923,687		923,687
33	Other Income	+			0
34	Miscellaneous income	+			0
35		+			0
36	Revenue should be entered above this line				
37					
38	Costs and Expenses:				
39	Cost of energy purchased	-	19,258,179		19,258,179
40	Administration	-	2,210,026		2,210,026
41	Customer billing and collecting	-	942,964		942,964
42	Operations and maintenance	-	2,290,395		2,290,395
43	Amortization	-	1,393,904		1,393,904
44	Ontario Capital Tax	-	52,645		52,645
45	Reg Assets	-			0
46		-			0
47		-			0
48		-			0
49					
50	Net Income Before Interest & Income Taxes EBIT	=	1,184,705	0	1,184,705
51	Less: Interest expense for accounting purposes	-	542,763		542,763
52	Provision for payments in lieu of income taxes	-	126,339		126,339
53	Net Income (loss)	=	515,603	0	515,603
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	+	126,339	0	126,339
60	Federal large corporation tax	+	66,445		66,445
61	Depreciation & Amortization	+	1,393,904	0	1,393,904
62	Employee benefit plans-accrued, not paid	+		0	0
63	Tax reserves - beginning of year	+	349,277	0	349,277
64	Reserves from financial statements- end of year	+	438,392	0	438,392
65	Regulatory adjustments on which true-up may apply (see A66)	+			0
66	Items on which true-up does not apply "TAXREC 3"		16,882	0	16,882
67	Material addition items from TAXREC 2	+	1,352	0	1,352
68	Other addition items (not Material) from TAXREC 2	+	0	0	0
69					
70	Subtotal		2,392,591	0	2,392,591
71					
72	<i>Other Additions: (Please explain the nature of the additions)</i>				
73	Recapture of CCA	+			0
74	Non-deductible meals and entertainment expense	+			0
75	Capital items expensed	+			0
76	tax credits	+	668		668
77		+			0
78		+			0
79		+			0
80	Total Other Additions	=	668	0	668
81					
82	Total Additions	=	2,393,259	0	2,393,259
83					
84	Recap Material Additions:				
85			0	0	0
86			0	0	0

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4	0		Return		
5					Version 2009.1
87			0	0	0
88	tax credits		668	0	668
89			0	0	0
90			0	0	0
91			0	0	0
92	Total Other additions >materiality level		668	0	668
93	Other additions (less than materiality level)		0	0	0
94	Total Other Additions		668	0	668
95					
96	BOOK TO TAX DEDUCTIONS:				
97	Capital cost allowance	-	1,424,821		1,424,821
98	Cumulative eligible capital deduction	-	1,776		1,776
99	Employee benefit plans-paid amounts	-			0
100	Items capitalized for regulatory purposes	-	392,795		392,795
101	Regulatory adjustments :	-			0
102	CCA	-			0
103	other deductions	-			0
104	Tax reserves - end of year	-	332,378	0	332,378
105	Reserves from financial statements- beginning of year	-	430,698	0	430,698
106	Contributions to deferred income plans	-			0
107	Contributions to pension plans	-			0
108	Items on which true-up does not apply "TAXREC 3"		400,683	0	400,683
109	Interest capitalized for accounting deducted for tax	-	11,595		11,595
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	=	2,994,746	0	2,994,746
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	=	2,994,746	0	2,994,746
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	=	-85,884	0	-85,884
135	DEDUCT:				
136	Non-capital loss applied positive number	-			0
137	Net capital loss applied positive number	-			0
138					0
139	NET TAXABLE INCOME	=	(85,884)	0	(85,884)
140					
141	FROM ACTUAL TAX RETURNS				
142	Net Federal Income Tax (Must agree with tax return)	+			0
143	Net Ontario Income Tax (Must agree with tax return)	+	(723)		(723)
144	Subtotal	=	(723)	0	(723)
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0
146	Total Income Tax	=	(723)	0	(723)
147					
148	FROM ACTUAL TAX RETURNS				
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%
151	Blended Income Tax Rate		0.00%	*****	0.00%
152					
153	Section F: Income and Capital Taxes				
154					
155	RECAP				
156	Total Income Taxes	+	-723	0	-723
157	Ontario Capital Tax	+	76,558		76,558
158	Federal Large Corporations Tax	+	58,980		58,980
159					
160	Total income and capital taxes	=	134,815	0	134,815
161					

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Fort Erie					
8	Reporting period: 2002					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		349,277		349,277	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		349,277	0	349,277	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		332,378		332,378	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		332,378	0	332,378	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		430,698		430,698	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		430,698	0	430,698	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		438,392		438,392	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		438,392	0	438,392	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Fort Erie					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+	1,352		1,352	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	1,352	0	1,352	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57	Scientific research expenditures deducted		1,352	0	1,352	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		1,352	0	1,352	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		1,352	0	1,352	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Fort Erie					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: Fort Erie				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	12,561		12,561	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	3,932		3,932	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		250		250	
36	Interest and penalties on unpaid taxes		139		139	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	16,882	0	16,882	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	694		694	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Deferred GST ITCS	-	399,989		399,989	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	400,683	0	400,683	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Fort Erie									
5	Reporting period: 2002									
6										
7										
8	Rates Used in 2002 RAM PILs Applications for 2002					Table 1				
9	Income Range		0		200,001					
10	RAM 2002		to		to					
11		Year	200,000		700,000			>700,000		
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		26.12%		26.12%			26.12%		
15	and Ontario blended		12.50%		12.50%			12.50%		
16	Blended rate		38.62%		38.62%			38.62%		
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	2,848,574							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	2,848,574							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25										
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002					Table 2				
27	Income Range		0		200,001					
28	Expected Rates		to		to			>700,000		
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	26.12%		26.12%			26.12%		
33	Ontario	2002	12.50%		12.50%			12.50%		
34	Blended rate	2002	38.62%		38.62%			38.62%		
35										
36	Capital Tax Rate	2002	0.300%							
37	LCT rate	2002	0.225%							
38	Surtax	2002	1.12%							
39	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	2,848,574							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	2,848,574							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43										
44	Input Information from Utility's Actual 2002 Tax Returns					Table 3				
45	Income Range		0		200,001					
46			to		to			>700,000		
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		26.12%		26.12%			26.12%		
51	Ontario		12.50%		12.50%			12.50%		
52	Blended rate		38.62%		38.62%			38.62%		
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	1,454,342							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	3,337,216							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Fort Erie														Version 2009.1
4	Reporting period: 2002														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	0	0	0	0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
43															
44															
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.														
47															
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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
49															
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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, 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 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
59	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
60															
61															
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWts, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
64	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.														
65															
66															
67	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.														
68															
69															
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 will have to include amounts from 1562 and from 1590.														
75															
76															
77															
78															

2003 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Fort Erie			Colour Code	
4	Reporting period: 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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		57%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		28%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			21,170,240	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			1,813,231	
42					
43	1999 return from RUD Sheet #7			2,036,642	2,036,642
44					
45	Total Incremental revenue			-223,411	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			-223,411	-223,411
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				1,813,231
55					
56	Equity			10,585,120	
57					
58	Return at target ROE			1,045,810	
59					
60	Debt			10,585,120	
61					
62	Deemed interest amount in 100% of MARR			767,421	
63					
64	Phase-in of interest - Year 1 (2001)			861,976	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			767,421	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			767,421	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			767,421	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing Variance	M of F Filing Variance	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2003							
8							Column Brought From TAXREC	
9	Days in reporting period:	365	days					
10	Total days in the calendar year:	365	days					
11								
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	1,813,231		412,769		2,226,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	942,613		990,814		1,933,427	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			153,599		153,599	
23	Reserves from financial statements - end of year	4			564,693		564,693	
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			83,445		83,445	
29	Other Additions (not "Material") "TAXREC 2"	6	24,128		-24,128		0	
30	Items on which true-up does not apply "TAXREC 3"				421,599		421,599	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	877,433		770,426		1,647,859	
34	Employee Benefit Plans - Paid Amounts	8	150,000		-150,000		0	
35	Items Capitalized for Regulatory Purposes	9			199,750		199,750	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	767,421		-101,055		666,366	
38	Tax reserves - end of year	4			203,214		203,214	
39	Reserves from financial statements - beginning of year	4			198,855		198,855	
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			10,358		10,358	
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			56,221		56,221	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				52,289		52,289	
49								
50	TAXABLE INCOME/ (LOSS)		985,118		1,362,733		2,347,851	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%	
54								
55	REGULATORY INCOME TAX		380,453		234,861	Actual	615,314	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		380,453		234,861	Actual	615,314	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	21,170,240		9,121,647		30,291,887	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	2,848,574		-2,503,579		344,995	
68	Taxable Capital		18,321,666		6,618,068		29,946,892	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		54,965		34,876		89,841	
73								
74	Federal Large Corporations Tax							
75	Base	18	21,170,240		11,993,544		33,163,784	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	2,848,574		-2,848,574		0	
77	Taxable Capital		18,321,666		9,144,970		33,163,784	
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)		41,224		33,395		74,619	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,033		12,078		23,111	
83								
84	Net LCT		30,190		21,317		51,508	
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	608,724			Actual 2003	615,314	
91	LCT (proxy tax is grossed-up)	23	48,305			Actual 2003	51,508	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	54,965			Actual 2003	89,840	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	711,994			Actual 2003	756,662	
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			153,599			
104	Reserves from financial statements-end of year	4			564,693			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			83,445			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-150,000			
110	Items Capitalized for Regulatory Purposes	9			199,750			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			203,214			
114	Reserves from F/S beginning of year	4			198,855			
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			56,221			
119								
120	Total TRUE-UPS before tax effect	26		=	293,697			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	36.62%			

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing Variance	M of F Filing Variance	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				Column Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
123								
124	Income Tax Effect on True-up adjustments			=	107,552			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				107,552			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				166,747			
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)			=	985,118			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	360,750			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	360,750			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	380,453			
147								
148	Regulatory Income Tax Variance			=	(19,702)			
149								
150	Ontario Capital Tax							
151	Base			=	21,170,240			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	2,848,574			
153	Revised deemed taxable capital			=	18,321,666			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	54,965			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	54,965			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				21,170,240			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	2,848,574			
164	Revised Federal LCT			=	18,321,666			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				41,224			
169	Less: Federal surtax			-	11,033			
170	Revised Net LCT			=	30,190			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	30,190			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	(30,546)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(30,546)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	166,747			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	136,201			
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)				767,421			
194	Interest phased-in (Cell C36)				767,421			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell K36+K41)				676,724			
202	Actual Interest Paid				767,421			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				0			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - Fort Erie					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	29,411,455		29,411,455	
32	Distribution Revenue	+			0	
33	Other Income	+	1,254,000		1,254,000	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	21,552,713		21,552,713	
40	Administration	-	2,762,593		2,762,593	
41	Customer billing and collecting	-	569,355		569,355	
42	Operations and maintenance	-	1,574,772		1,574,772	
43	Amortization	-	1,933,427		1,933,427	
44	Ontario Capital Tax	-	46,595		46,595	
45	Reg Asset movement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	2,226,000	0	2,226,000	
51	Less: Interest expense for accounting purposes	-	666,366		666,366	
52	Provision for payments in lieu of income taxes	-	343,930		343,930	
53	Net Income (loss)	=	1,215,704	0	1,215,704	
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	+	343,930	0	343,930	
60	Federal large corporation tax	+	56,621		56,621	
61	Depreciation & Amortization	+	1,933,427	0	1,933,427	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	153,599	0	153,599	
64	Reserves from financial statements- end of year	+	564,693	0	564,693	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		421,599	0	421,599	
67	Material addition items from TAXREC 2	+	83,445	0	83,445	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		3,557,314	0	3,557,314	
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	=	3,557,314	0	3,557,314	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
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	
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	-	1,646,161		1,646,161	
98	Cumulative eligible capital deduction	-	1,698		1,698	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	199,750		199,750	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	203,214	0	203,214	
105	Reserves from financial statements- beginning of year	-	198,855	0	198,855	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		52,289	0	52,289	
109	Interest capitalized for accounting deducted for tax	-	10,358		10,358	
110	Material deduction items from TAXREC 2	-	56,221	0	56,221	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	2,368,546	0	2,368,546	
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	=	2,368,546	0	2,368,546	
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	=	2,404,472	0	2,404,472	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	403,009		403,009	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,001,463	0	2,001,463	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	451,100		451,100	
143	Net Ontario Income Tax (Must agree with tax return)	+	164,214		164,214	
144	Subtotal	=	615,314	0	615,314	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	615,314	0	615,314	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.54%		22.54%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		8.20%		8.20%	
151	Blended Income Tax Rate		30.74%		30.74%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	615,314	0	615,314	
157	Ontario Capital Tax	+	89,840		89,840	
158	Federal Large Corporations Tax	+	51,508		51,508	
159						
160	Total income and capital taxes	=	756,662	0	756,662	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Fort Erie					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		153,599		153,599	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		153,599	0	153,599	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		203,214		203,214	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		203,214	0	203,214	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		198,855		198,855	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		198,855	0	198,855	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		564,693		564,693	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		564,693	0	564,693	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	83,445		83,445	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	83,445	0	83,445	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		83,445	0	83,445	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		83,445	0	83,445	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		83,445	0	83,445	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Deferred financing costs	-	56,221		56,221	
97		-			0	
98		-			0	
99	Total Deductions	=	56,221	0	56,221	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		56,221	0	56,221	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		56,221	0	56,221	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		56,221	0	56,221	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - Fort Erie				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+	2,686		2,686	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	2,141		2,141	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	7,746		7,746	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		1,028		1,028	
36	Interest and penalties on unpaid taxes		4,285		4,285	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Deferred GST ITCS	+	403,713		403,713	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	421,599	0	421,599	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-	20,282		20,282	
59		-			0	
60	Deferred deregulation costs	-	32,007		32,007	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	52,289	0	52,289	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - Fort Erie									
5	Reporting period: 2003									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0 to 200,000		200,001 to 700,000	>700000				
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		26.12%		26.12%	26.12%				
15	and Ontario blended		12.50%		12.50%	12.50%				
16	Blended rate		38.62%		38.62%	38.62%				
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	2,848,574							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	2,848,574							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0 to 200,000	250,001 to 400,000	400,001 to 1,128,000	>700000				
28	Expected Rates	Year								
29										
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	24.12%	24.12%	24.12%	24.12%				
33	Ontario	2003	12.50%	12.50%	12.50%	12.50%				
34	Blended rate	2003	36.62%	36.62%	36.62%	36.62%				
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	1.12%							
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	2,848,574							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	2,848,574							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2003 Tax Returns									
45	Income Range		0 to 200,000	250,001 to 400,000	400,001 to 1,128,000	>700,000				
46		Year								
47										
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		24.12%	24.12%	24.12%	24.12%				
51	Ontario		12.50%	12.50%	12.50%	12.50%				
52	Blended rate		36.62%	36.62%	36.62%	36.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	344,995							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Fort Erie														Version 2009.1
4	Reporting period: 2003														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2004 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Fort Erie			Colour Code	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	366	days		
7	Total days in the calendar year:	366	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		57%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		0%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			21,170,240	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			1,813,231	
42					
43	1999 return from RUD Sheet #7			2,036,642	2,036,642
44					
45	Total Incremental revenue			-223,411	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			-223,411	-223,411
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				1,813,231
55					
56	Equity			10,585,120	
57					
58	Return at target ROE			1,045,810	
59					
60	Debt			10,585,120	
61					
62	Deemed interest amount in 100% of MARR			767,421	
63					
64	Phase-in of interest - Year 1 (2001)			861,976	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			767,421	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			767,421	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			767,421	
71					
72					

	A	B	C	D	E	F	G	H
1	PILS TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	366	days				Brought	
10	Total days in the calendar year:	366	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	1,813,231		-482,231		1,331,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	942,613		1,120,822		2,063,435	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			172,483		172,483	
23	Reserves from financial statements - end of year	4			545,166		545,166	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6	23,648		-23,648		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			78,128		78,128	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				62,942		62,942	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	877,433		917,249		1,794,682	
34	Employee Benefit Plans - Paid Amounts	8	150,000		-150,000		0	
35	Items Capitalized for Regulatory Purposes	9			452,788		452,788	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	767,421		-38,717		728,704	
38	Tax reserves - end of year	4			177,459		177,459	
39	Reserves from financial statements - beginning of year	4			522,294		522,294	
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			34,011		34,011	
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			51,999		51,999	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		984,638		(493,421)		491,217	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5594%		36.06%	
54								
55	REGULATORY INCOME TAX		380,267		-203,131	Actual	177,136	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		380,267		-203,131	Actual	177,136	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	21,170,240		10,024,864		31,195,104	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	2,848,574		-2,237,296		611,278	
68	Taxable Capital		18,321,666		7,787,568		30,583,826	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		54,965		36,786		91,751	
73								
74	Federal Large Corporations Tax							
75	Base	18	21,170,240		13,883,061		35,053,301	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	0		1,082,668		1,082,668	
77	Taxable Capital		21,170,240		14,965,729		33,970,633	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		47,633		20,308		67,941	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,028		716		11,744	
83								
84	Net LCT		36,605		19,592		56,197	
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	619,529			Actual 2004	177,136	
91	LCT (proxy tax is grossed-up)	23	58,568			Actual 2004	56,198	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	54,965			Actual 2004	91,751	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	733,063			Actual 2004	325,085	
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			172,483			
104	Reserves from financial statements-end of year	4			545,166			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			-23,648			
107	Other additions "Material" Items TAXREC 2	6			78,128			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-150,000			
110	Items Capitalized for Regulatory Purposes	9			452,788			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			177,459			
114	Reserves from F/S beginning of year	4			522,294			
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			51,999			
119								
120	Total TRUE-UPS before tax effect	26		=	-282,411			

	A	B	C	D	E	F	G	H
1	PILS TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2004							
8								
9	Days in reporting period:	366	days				Column	
10	Total days in the calendar year:	366	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-102,007			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-102,007			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(156,934)			
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)			=	984,638			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	355,651			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	355,651			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	380,267			
147								
148	Regulatory Income Tax Variance			=	(24,616)			
149								
150	Ontario Capital Tax							
151	Base			=	21,170,240			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	2,848,574			
153	Revised deemed taxable capital			=	18,321,666			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	54,965			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	54,965			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				21,170,240			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0			
164	Revised Federal LCT			=	21,170,240			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				42,340			
169	Less: Federal surtax			-	11,028			
170	Revised Net LCT			=	31,313			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	36,605			
173	Regulatory Federal LCT Variance			=	(5,293)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(37,871)			
178	LCT (grossed-up)			+	(8,142)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(46,013)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(156,934)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(202,947)			
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)				767,421			
194	Interest phased-in (Cell C36)				767,421			
195								
196	Variance due to phase-in of debt component of MARR in rates				0			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				762,715			
202	Actual Interest Paid				767,421			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				0			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - Fort Erie					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		366	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				
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	+	28,452,000		28,452,000	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	19,533,639		19,533,639	
40	Administration	-	2,967,415		2,967,415	
41	Customer billing and collecting	-	873,137		873,137	
42	Operations and maintenance	-	1,621,858		1,621,858	
43	Amortization	-	2,063,435		2,063,435	
44	Ontario Capital Tax	-	61,516		61,516	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	1,331,000	0	1,331,000	
51	Less: Interest expense for accounting purposes	-	728,704		728,704	
52	Provision for payments in lieu of income taxes	-	73,724		73,724	
53	Net Income (loss)	=	528,572	0	528,572	
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	+	73,724	0	73,724	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,063,435	0	2,063,435	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	172,483	0	172,483	
64	Reserves from financial statements- end of year	+	545,166	0	545,166	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		62,942	0	62,942	
67	Material addition items from TAXREC 2	+	78,128	0	78,128	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		2,995,878	0	2,995,878	
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	=	2,995,878	0	2,995,878	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
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	
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	-	1,788,786		1,788,786	
98	Cumulative eligible capital deduction	-	5,896		5,896	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	452,788		452,788	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	177,459	0	177,459	
105	Reserves from financial statements- beginning of year	-	522,294	0	522,294	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-	34,011		34,011	
110	Material deduction items from TAXREC 2	-	51,999	0	51,999	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	3,033,233	0	3,033,233	
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	=	3,033,233	0	3,033,233	
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	=	491,217	0	491,217	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	491,217	0	491,217	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	108,634	0	108,634	
143	Net Ontario Income Tax (Must agree with tax return)	+	68,502	0	68,502	
144	Subtotal	=	177,136	0	177,136	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	177,136	0	177,136	
147						
148	FROM ACTUAL TAX RETURNS					
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)		13.95%		13.95%	
151	Blended Income Tax Rate		36.06%		36.06%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	177,136	0	177,136	
157	Ontario Capital Tax	+	91,751		91,751	
158	Federal Large Corporations Tax	+	56,198		56,198	
159						
160	Total income and capital taxes	=	325,085	0	325,085	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Fort Erie					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		172,483		172,483	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		172,483	0	172,483	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		177,459		177,459	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		177,459	0	177,459	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		522,294		522,294	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		522,294	0	522,294	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		545,166		545,166	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		545,166	0	545,166	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	78,128		78,128	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	78,128	0	78,128	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		78,128	0	78,128	
73			0	0	0	
74			0	0	0	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		78,128	0	78,128	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		78,128	0	78,128	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	51,999		51,999	
97		-			0	
98		-			0	
99	Total Deductions	=	51,999	0	51,999	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		51,999	0	51,999	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		51,999	0	51,999	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		51,999	0	51,999	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - Fort Erie				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	11,503		11,503	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	4,876		4,876	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		410		410	
36	Interest and penalties on unpaid taxes		16,549		16,549	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45	Deferred deregulation costs	+	29,604		29,604	
46		+				
47	Total Additions on which true-up does not apply	=	62,942	0	62,942	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - Fort Erie									
5	Reporting period: 2004									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		26.12%		26.12%		26.12%			
15	and Ontario blended		12.50%		12.50%		12.50%			
16	Blended rate		38.62%		38.62%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	2,848,574							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	2,848,574							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
28	Expected Rates	Year								
29										
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)	2004	22.12%	22.12%	22.12%		22.12%			
33	Ontario	2004	14.00%	14.00%	14.00%		14.00%			
34	Blended rate	2004	36.12%	36.12%	36.12%		36.12%			
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	2,848,574							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	0							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
46		Year								
47										
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		22.12%	22.12%	22.12%		22.12%			
51	Ontario		14.00%	14.00%	14.00%		14.00%			
52	Blended rate		36.12%	36.12%	36.12%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	611,278							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	1,082,668							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Fort Erie														Version 2009.1
4	Reporting period: 2004														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2005 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Fort Erie			<u>Colour Code</u>	
4	Reporting period: 2005			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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		57%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		28%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			21,170,240	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			1,813,231	
42					
43	1999 return from RUD Sheet #7			2,036,642	2,036,642
44					
45	Total Incremental revenue			-223,411	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			-223,411	-223,411
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				1
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				1,813,232
55					
56	Equity			10,585,120	
57					
58	Return at target ROE			1,045,810	
59					
60	Debt			10,585,120	
61					
62	Deemed interest amount in 100% of MARR			767,421	
63					
64	Phase-in of interest - Year 1 (2001)			861,976	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			767,421	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			767,421	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			767,421	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	1,813,232		-833,612		979,620	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	942,613		1,350,690		2,293,303	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			171,527		171,527	
23	Reserves from financial statements - end of year	4			433,362		433,362	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			3,690		3,690	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			47,568		47,568	
29	Other Additions (not "Material") "TAXREC 2"	6	24,128		-24,128		0	
30	Items on which true-up does not apply "TAXREC 3"				72,001		72,001	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	877,433		1,018,907		1,896,340	
34	Employee Benefit Plans - Paid Amounts	8	150,000		-150,000		0	
35	Items Capitalized for Regulatory Purposes	9			500,359		500,359	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	767,421		42,931		810,352	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			530,819		530,819	
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			9,648		9,648	
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			50,631		50,631	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		985,119		(782,177)		202,942	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5000%		36.12%	
54								
55	REGULATORY INCOME TAX		380,453		-405,833		-25,380	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		380,453		-405,833		-25,380	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	21,170,240		9,083,532		30,253,772	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	2,848,574		-1,946,351		902,223	
68	Taxable Capital		18,321,666		7,137,181		29,351,549	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		54,965		33,090		88,055	
73								
74	Federal Large Corporations Tax							
75	Base	18	21,170,240		13,332,847		34,503,087	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	2,848,574		-2,321,487		527,087	
77	Taxable Capital		18,321,666		11,011,360		33,976,000	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		41,224		26,728		67,952	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,033		-11,033		0	
83								
84	Net LCT		30,190		37,762		67,952	
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	608,725			Actual 2005	-25,380	
91	LCT (proxy tax is grossed-up)	23	48,305			Actual 2005	59,458	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	54,965			Actual 2005	84,365	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	711,994			Actual 2005	118,443	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			171,527			
104	Reserves from financial statements-end of year	4			433,362			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			3,690			
107	Other additions "Material" Items TAXREC 2	6			47,568			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-150,000			
110	Items Capitalized for Regulatory Purposes	9			500,359			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			52,579			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			530,819			
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			50,631			
119								
120	Total TRUE-UPS before tax effect	26		=	-328,221			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	36.12%			

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	(*Wires-only* business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Fort Erie							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
123								
124	Income Tax Effect on True-up adjustments			=	-118,553			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-118,553			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(182,390)			
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)			=	985,119			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	355,825			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	355,825			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	380,453			
147								
148	Regulatory Income Tax Variance			=	(24,628)			
149								
150	Ontario Capital Tax							
151	Base			=	21,170,240			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	2,848,574			
153	Revised deemed taxable capital			=	18,321,666			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	54,965			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	54,965			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				21,170,240			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	2,848,574			
164	Revised Federal LCT			=	18,321,666			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				36,643			
169	Less: Federal surtax			-	11,033			
170	Revised Net LCT			=	25,610			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	30,190			
173	Regulatory Federal LCT Variance			=	(4,580)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(37,889)			
178	LCT (grossed-up)			+	(7,047)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(44,936)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(182,390)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(227,326)			
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)				767,421			
194	Interest phased-in (Cell C36)				767,421			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
197								
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)				820,000			
202	Actual Interest Paid				767,421			
203								
204	Variance caused by excess debt				52,579			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				52,579			
207								
208	Total Interest Variance				-52,579			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: CNPI - Fort Erie						
8	Reporting period: 2005						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		365	days			
12							
13	Please enter the Materiality Level :		0	< - enter materiality level			
14	(0.25% x Rate Base x CER)	Y/N					
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	+	30,046,020		30,046,020		
32	Distribution Revenue	+			0		
33	Other Income	+	85,980		85,980		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	21,987,098		21,987,098		
40	Administration	-	2,054,494		2,054,494		
41	Customer billing and collecting	-	1,013,738		1,013,738		
42	Operations and maintenance	-	1,741,455		1,741,455		
43	Amortization	-	2,293,303		2,293,303		
44	Ontario Capital Tax	-	62,292		62,292		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	979,620	0	979,620		
51	Less: Interest expense for accounting purposes	-	810,352		810,352		
52	Provision for payments in lieu of income taxes	-	172,538		172,538		
53	Net Income (loss)	=	-3,270	0	-3,270		
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	+	172,538	0	172,538		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	2,293,303	0	2,293,303		
62	Employee benefit plans-accrued, not paid	+		0	0		
63	Tax reserves - beginning of year	+	171,527	0	171,527		
64	Reserves from financial statements- end of year	+	433,382	0	433,382		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		72,001	0	72,001		
67	Material addition items from TAXREC 2	+	47,568	0	47,568		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		3,190,319	0	3,190,319		
71							
72	Other Additions: (Please explain the nature of the additions)						
73		+			0		
74	Ontario apprentice and co-op credits	+	3,690		3,690		
75		+			0		
76		+			0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	3,690	0	3,690		
81							
82	Total Additions	=	3,194,009	0	3,194,009		
83							
84	Recap Material Additions:						
85			0	0	0		
86	Ontario apprentice and co-op credits		3,690	0	3,690		
87			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		3,690	0	3,690		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		3,690	0	3,690		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	1,891,001		1,891,001		
98	Cumulative eligible capital deduction	-	5,339		5,339		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-	500,359		500,359		
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	-	530,819	0	530,819		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		0	0	0		
109	Interest capitalized for accounting deducted for tax	-	9,648		9,648		
110	Material deduction items from TAXREC 2	-	50,631	0	50,631		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	2,987,797	0	2,987,797		
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	=	2,987,797	0	2,987,797		
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	=	202,942	0	202,942		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	202,942	0	202,942		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	0	0	0		
143	Net Ontario Income Tax (Must agree with tax return)	+	(25,380)	0	(25,380)		
144	Subtotal	=	(25,380)	0	(25,380)		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	(25,380)	0	(25,380)		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		-12.51%		-12.51%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		-12.51%		-12.51%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	-25,380	0	-25,380		
157	Ontario Capital Tax	+	84,365		84,365		
158	Federal Large Corporations Tax	+	59,458		59,458		
159							
160	Total income and capital taxes	=	118,443	0	118,443		
161							

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Fort Erie					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		171,527		171,527	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		171,527	0	171,527	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		530,819		530,819	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		530,819	0	530,819	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		433,382		433,382	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		433,382	0	433,382	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	47,568		47,568	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	47,568	0	47,568	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		47,568	0	47,568	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Fort Erie					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		47,568	0	47,568	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		47,568	0	47,568	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	50,631		50,631	
97		-			0	
98		-			0	
99	Total Deductions	=	50,631	0	50,631	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		50,631	0	50,631	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		50,631	0	50,631	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		50,631	0	50,631	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - Fort Erie				Version 2009.1	
9						
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					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	61,897		61,897	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	10,104		10,104	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	72,001	0	72,001	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - Fort Erie									
5	Reporting period: 2005									
6										
7										
8	Table 1									
9	Rates Used in 2005 RAM PILs Applications for 2005									
10	Income Range		0 to 400,000		400,001 to 1,128,000	>1,128,000				
11	RAM 2005	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2005								
14	Federal (Includes surtax)		22.12%		22.12%	22.12%				
15	and Ontario blended		14.00%		14.00%	14.00%				
16	Blended rate		36.12%		36.12%	36.12%				
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	2,848,574							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	2,848,574							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000				
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2005								
31	Federal (Includes surtax)	2005	22.12%	22.12%	22.12%	22.12%				
32	Ontario	2005	14.00%	14.00%	14.00%	14.00%				
33	Blended rate	2005	36.12%	36.12%	36.12%	36.12%				
34										
35										
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2005	MAX \$7.5MM	2,848,574							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	2,848,574							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2005 Tax Returns									
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000				
46		Year								
47	Income Tax Rate									
48	Current year	2005								
49	Federal (Includes surtax)		22.12%	22.12%	22.12%	22.12%				
50	Ontario		14.00%	14.00%	14.00%	14.00%				
51	Blended rate		36.12%	36.12%	36.12%	36.12%				
52										
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	902,223							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	527,087							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Fort Erie														Version 2009.1
4	Reporting period: 2005														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2002 RAM MODEL

NAME OF UTILITY Canadian Niagara Power Inc.
LICENCE NUMBER ED-1999-0160
DATE 13-Dec-01
VERSION NUMBER 5
NAME OF CONTACT Timothy B. Curtis
PHONE NUMBER (905) 994-3632

METHOD #2 REVISED 2001 PROXY TAX GROSS-UP FORMULA

ENTER UTILITY SPECIFIC DATA IN HIGHLIGHTED CELLS

CNPI, a privately-held company already subject to taxation, achieved a net income in excess of MARR thus no phased-in over 3 years required

Data

(A) Ratebase	\$21,170,239.92 CELL B31, SHEET 7
(B) Deemed Debt Interest Rate	7.25% CELL B37, SHEET 7
(C) Common Equity Ratio (CER)	50.00% CELL B33, SHEET 7
(D) Deemed Debt (A) * (1-(C))	\$10,585,119.96
(E) Market Adjusted Revenue Requirement Total (MARR)	\$1,813,231.05 CELL E31, SHEET 7
(F) MARR approved by Board for recovery in first year rates	\$0.00 CELL C53, SHEET 7

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Note: Use the same ratebase, deemed debt interest rate and CER as in the final RUD model filed for the unbundling application. In the case of amalgamated utilities use the final consolidated RUD model if rates are harmonized. In the case of amalgamated utilities where separate rates are being maintained for each of the former utilities, a separate RUD model and tax calculation must be used for each former utility.

To the extent possible, 1999 information supporting the LDC's rate application was used to provide a level of consistency between base rates and the incremental tax provision.

Accounting Income

1999 Net Income before finance expense and extraordinary items	\$2,036,642.28
First year MARR (F) - Excess Net Income over MARR	-\$223,411.23
Large Corporations Tax Addback to be calculated as	\$0.00
(A) * 0.00225 only if included in 1999 Net Income, else use 0	
Regulatory Income before interest	\$1,813,231.05

Timing Difference Re Taxable Income

1999 Book Depreciation Addback	\$942,612.94
Capital Cost Allowance - estimate	\$877,433.00
Reserves on Financial Statements	-\$150,000.00
Non-deductible items	\$23,548.00

(G) Interest Shield

-\$767,421.20

(H) Taxable Income

\$984,637.79

(I) Deemed Income Tax Rate

42.12%

if (H) is less than \$200,000 enter 0.1962
 if (H) is between \$200,001 and \$600,000 enter 0.3462
 if (H) exceeds \$600,001 enter 0.4212

(J) Income Tax Payable

\$414,729.44

Gross-up (1-tax rate)

57.88%

(K) Income required to re-imburse for income tax expense

\$716,533.24

Estimated Capital Taxes

Ontario (A) * 0.003 or actual	\$54,965.00
Federal (LCT) (A) * 0.00225	\$47,633.04
Reduction of LCT for deemed federal surtax (H) * 0.0112	-\$11,027.94
Total Capital Tax	\$91,570.10

(L) Ontario Capital Tax and Gross-up Net LCT

\$118,208.08

(M) Total Deemed Proxy Tax (K) + (L)

\$834,741.32

(N) Full MARR and Total Deemed Proxy Tax (F23) + (M)

\$2,647,972.37

(O) 1999 Net Income before Interest Expense

\$2,036,642.28

(P) Additional Revenues to be Collected due to Taxes (N) - (O)

\$611,330.09

1,813,231 + 834,741

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SHEET 8 - MARR (WITH TAXES) CALCULATIONS

NAME OF UTILITY Canadian Niagara Power Inc.
LICENCE NUMBER ED-1999-0160
DATE 13-Dec-01
VERSION NUMBER 5
NAME OF CONTACT Timothy B. Curtis
PHONE NUMBER (905) 994-3632

TARGET RATE OF RETURN CALCULATIONS AND ADJUSTED RATE CLASS SERVICE CHARGES (2001 RATES)

Change in Revenue Required	MARR - (1999 RETURN \$)
MARR	\$ 2,647,972.37
1999 RETURN \$	\$ 2,036,642.28
Change in Revenue Required	\$ 611,330.09

MARR WITH TAXES - MARR WITHOUT TAXES (change in revenue required due to taxes to be allocated)	\$ 834,741.32
---------------------------------------------------------------------------------------------------	---------------

	DISTRIBUTION REVENUE	SHARE OF TOTAL REVENUE A	CHANGE IN ALLOCATED REVENUE TO BE TAX REVENUE ALLOCATED A*B B	REVISED REVENUE
RESIDENTIAL CLASS REVENUE	\$ 3,204,309.41	0.515	\$ 314,612.76	\$ 3,518,922.17
SENTINEL LIGHTS REVENUE	\$ 20,909.84	0.003	\$ 2,053.02	\$ 22,962.86
GENERAL SERVICE <50 KW CLASS	\$ 901,269.59	0.145	\$ 88,490.49	\$ 989,760.08
GENERAL SERVICE NON TIME OF USE >50 KW	\$ 2,052,801.21	0.330	\$ 201,552.78	\$ 2,254,353.99
STREET LIGHTING CLASS REVENUE	\$ 47,065.02	0.008	\$ 4,621.04	\$ 51,686.07
TOTAL REVENUE	\$ 6,226,355.08		\$ 611,330.09	\$ 6,837,685.17

NOTE: THE ALLOCATED CHANGE IN REVENUE IS SPLIT BETWEEN VARIABLE REVENUE AND SERVICE CHARGE REVENUE BASED ON THE RELATIVE SHARES OF THE PRE-RATE OF RETURN ADJUSTMENT

RESIDENTIAL

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$ 646,512.62	\$ 2,557,796.79	\$ 3,204,309.41
	0.202	0.798	
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$ 63,477.37	\$ 251,135.39	\$ 314,612.76
(C) TARGETED BASE WITH TAXES (A) +(B)	\$ 709,989.99	\$ 2,808,932.18	\$ 3,518,922.17
(D) RETAIL KWH	104,276,229		
(E) NUMBER OF CUSTOMERS		13042	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0068		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$17.9480	

SENTINEL LIGHTS

		VARIABLE REVENUE		SERVICE CHARGE		TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	4,218.84	\$	16,691.00	\$	20,909.84
		0.202		0.798		
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	414.22	\$	1,638.79	\$	2,053.02
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	4,633.07	\$	18,329.79	\$	22,962.86
(D) RETAIL KW		2,480				
(E) NUMBER OF CONNECTIONS				848		
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.8682				
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)				\$1.8013		

GENERAL SERVICE <50 KW CLASS

		VARIABLE REVENUE		SERVICE CHARGE		TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	181,843.29	\$	719,426.30	\$	901,269.59
		0.202		0.798		
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	17,854.15	\$	70,636.34	\$	88,490.49
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	199,697.44	\$	790,062.64	\$	989,760.08
(D) RETAIL KWH		37,118,403				
(E) NUMBER OF CUSTOMERS				1224		
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)		\$0.0054				
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$53.7897		

GENERAL SERVICE NON-TIME OF USE > 50 KW

		VARIABLE REVENUE		SERVICE CHARGE		TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	414,180.32	\$	1,638,620.90	\$	2,052,801.21
		0.202		0.798		
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	40,665.99	\$	160,886.79	\$	201,552.78
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	454,846.31	\$	1,799,507.68	\$	2,254,353.99
(D) RETAIL KW		318,007				
(E) NUMBER OF CUSTOMERS				117		
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.4303				
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$1,281.7006		

STREET LIGHTING

		VARIABLE REVENUE		SERVICE CHARGE		TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	9,496.00	\$	37,569.02	\$	47,065.02
		0.202		0.798		
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	932.36	\$	3,688.69	\$	4,621.04
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	10,428.36	\$	41,257.71	\$	51,686.07

(D) RETAIL KW	6,995	
(E) NUMBER OF CONNECTIONS		2900
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908	
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)		\$1.1856

SHEET 9 - RATE SUMMARY MARR (NO TAX)

NAME OF UTILITY
LICENCE NUMBER
DATE

Canadian Niagara Power Inc.
ED-1999-0150

VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

13-Dec-01
5
Timothy B. Curtis
(905) 994-3632

SUMMARY TABLE OF RATES AND CHARGES WITH MARR PRIOR TO MARKET OPENING AND BEFORE SENSITIVITY ANALYSIS

	DISTRIBUTION KW RATE	DISTRIBUTION KW/H RATE	MONTHLY SERVICE CHARGE	COST OF POWER KW RATE	COST OF POWER KW/H RATE	COST OF POWER TIME OF USE RATES			
						WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KW) OFF PEAK (KWH)
RESIDENTIAL									
GENERAL SERVICE < 50 KW									
GENERAL SERVICE > 50 KW (NON TIME OF USE)	\$1.3024		\$1.167 11	\$1.6673	\$0.0495				
GENERAL SERVICE TIME OF USE > 50 KW	#DIV/0!		#DIV/0!						
GENERAL SERVICE INTERMEDIATE USE	#DIV/0!		#DIV/0!						
LARGE USE	#DIV/0!		#DIV/0!						
SENTINEL LIGHTS (NON TIME OF USE) OR	\$1.7011		\$1.64	\$16.5444					
SENTINEL LIGHTS (TIME OF USE)	\$1.7011		\$1.64						
STREET LIGHTING (NON TIME OF USE) OR	\$1.3575		\$1.08	\$18.3043					
STREET LIGHTING (TIME OF USE)	\$1.3575		\$1.08						
• SERVICE CHARGE IS PER CONNECTION									

SHEET 10 - RATE SUMMARY MARR (WITH TAXES)

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Canadian Niagara Power Inc.
ED-1999-0160
13-Dec-01
5
Timothy B. Curtis
(905) 994-3632

SUMMARY TABLE OF RATES AND CHARGES WITH MARR AFTER MARKET OPENING (2001 RATES)

	DISTRIBUTION KW RATE	DISTRIBUTION \$/KWH	MONTHLY SERVICE CHARGE (add meter charge if applicable)	COST OF POWER KW RATE	COST OF POWER \$/KWH
RESIDENTIAL					
GENERAL SERVICE < 50 KW		\$0.0068	17.95		\$0.0535
GENERAL SERVICE > 50 KW (NON TIME OF USE)	\$1.4303	\$0.0054	53.79		\$0.0535
SENTINEL LIGHTS (NON TIME OF USE) *	\$1.8682		1,281.70	\$1.6673	\$0.0495
STREET LIGHTING (NON TIME OF USE) *	\$1.4908		1.80	\$16.5444	
			1.19	\$18.3043	

* SERVICE CHARGE IS PER CONNECTION

SHEET 11 - RATE IMPACT ANALYSIS AFTER MARR

NAME OF UTILITY Canadian Niagara Power Inc.
LICENCE NUMBER ED-1993-0150
DATE 1--Dec-01
VERSION NUMBER 5
NAME OF CONTACT Timothy B. Curtis
PHONE NUMBER (905) 944-1632

RATE IMPACT ANALYSIS AFTER MARR

RATE IMPACT ANALYSIS IS FOR NON TIME OF USE ONLY. YOU WILL HAVE TO ADD TIME OF USE YOURSELF.

RESIDENTIAL CLASS

NON TIME OF USE

	CURRENT BILL			NEW BILL AFTER MARR			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
ENTER DESIRED CONSUMPTION LEVEL								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1000	0.0535 \$	53.54	
	BALANCE TOTAL	750	0.0694 \$	DISTRIBUTION KWH TOTAL	1000	0.0068 \$	6.81	
			\$ 80.03			\$ 78.29	\$ (1.73)	-2.2%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 250 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	250	0.0535 \$	13.38	
	BALANCE TOTAL	0	0.0694 \$	DISTRIBUTION KWH TOTAL	250	0.0068 \$	1.70	
			\$ 27.98			\$ 33.03	\$ 5.05	18.1%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 500 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	500	0.0535 \$	26.77	
	BALANCE TOTAL	250	0.0694 \$	DISTRIBUTION KWH TOTAL	500	0.0068 \$	3.40	
			\$ 45.33			\$ 48.12	\$ 2.80	6.2%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 750 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	750	0.0535 \$	40.15	
	BALANCE TOTAL	500	0.0694 \$	DISTRIBUTION KWH TOTAL	750	0.0068 \$	5.11	
			\$ 62.68			\$ 63.21	\$ 0.53	0.8%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 1000 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1000	0.0535 \$	53.54	
	BALANCE TOTAL	750	0.0694 \$	DISTRIBUTION KWH TOTAL	1000	0.0068 \$	6.81	
			\$ 80.03			\$ 78.29	\$ (1.73)	-2.2%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 1500 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1500	0.0535 \$	80.30	
	BALANCE TOTAL	1250	0.0694 \$	DISTRIBUTION KWH TOTAL	1500	0.0068 \$	10.21	
			\$ 114.73			\$ 108.46	\$ (6.26)	-5.5%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 2000 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	2000	0.0535 \$	107.07	
	BALANCE TOTAL	1750	0.0694 \$	DISTRIBUTION KWH TOTAL	2000	0.0068 \$	13.62	
			\$ 145.43			\$ 138.64	\$ (10.79)	-7.2%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 20000 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER ANNUAL DISTRIBUTION CHARGE	20000	0.0535 \$	1,070.71	
	BALANCE TOTAL	17000	0.0694 \$	DISTRIBUTION KWH TOTAL	20000	0.0068 \$	136.17	
			\$ 1,515.50			\$ 1,422.26	\$ (93.24)	-6.2%
	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH								
	SERVICE CHARGE FIRST 250 KWH		\$ -	COST OF POWER ANNUAL DISTRIBUTION CHARGE	30000	0.0535 \$	1,606.37	
	BALANCE TOTAL	27000	0.0694 \$	DISTRIBUTION KWH TOTAL	30000	0.0068 \$	204.25	
			\$ 2,209.50			\$ 2,025.71	\$ (183.79)	-8.3%

GENERAL SERVICE < 50 KW

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION 5 KW, 1,000 KWH	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW		\$ 0.0000	\$ -					
	2ND BLOCK BALANCE		4.9700	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	1000	0.0535	\$ 53.54	
	NEXT BLOCK 12250	750	0.0753	\$ 56.48					
	NEXT BLOCK BALANCE		0.0200	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 53.79		
			0.0553	\$ -	DISTRIBUTION KWH	1000	0.0054	\$ 5.38	
	TOTAL			\$ 85.33	TOTAL		\$ 112.71	\$ 27.38	32.1%

MONTHLY CONSUMPTION 10 KW, 2000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	10	0.0000	\$ -					
	2ND BLOCK BALANCE	0	4.9700	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	2000	0.0535	\$ 107.07	
	NEXT BLOCK 12250	1750	0.0753	\$ 131.78					
	NEXT BLOCK BALANCE		0.0000	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 53.79		
			0.0553	\$ -	DISTRIBUTION KWH	2030	0.0054	\$ 10.76	
	TOTAL			\$ 160.63	TOTAL		\$ 171.62	\$ 11.00	6.8%

MONTHLY CONSUMPTION 50 KW, 5000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -					
	2ND BLOCK BALANCE	0	4.9700	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	5000	0.0535	\$ 267.68	
	NEXT BLOCK 12250	4750	0.0753	\$ 357.68					
	NEXT BLOCK BALANCE		0.0000	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 53.79		
			0.0553	\$ -	DISTRIBUTION KWH	5000	0.0054	\$ 26.90	
	TOTAL			\$ 386.53	TOTAL		\$ 348.37	\$ (38.16)	-9.9%

GENERAL SERVICE > 50 KW

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION 50KW, 15,000KWH	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -					
	2ND BLOCK BALANCE	0	4.9700	\$ -	COST OF POWER KW	50	1.6673	\$ 83.37	
			\$/KWH		DISTRIBUTION KW	50	1.4303	\$ 71.52	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		\$/KWH			
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	COST OF POWER KWH	15000	0.0495	\$ 742.93	
	NEXT BLOCK BALANCE	1500	4.3700	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 1,281.70		
			0.0553	\$ 138.25					
	TOTAL			\$ 1,089.53	TOTAL		\$ 2,179.52	\$ 1,089.99	100.0%

MONTHLY CONSUMPTION 100KW, 20000KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -					
	2ND BLOCK BALANCE	50	4.3700	\$ -	COST OF POWER KW	100	1.6673	\$ 166.73	
			\$/KWH		DISTRIBUTION KW	100	1.4303	\$ 143.03	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		\$/KWH			
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	COST OF POWER KWH	20000	0.0495	\$ 990.68	
	NEXT BLOCK BALANCE	7500	4.3700	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 1,281.70		
			0.0553	\$ 414.75					
	TOTAL			\$ 1,814.53	TOTAL		\$ 2,582.04	\$ 967.52	58.9%

MONTHLY CONSUMPTION 100KW, 30000KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -					
	2ND BLOCK BALANCE	50	4.3700	\$ -	COST OF POWER KW	100	1.6673	\$ 166.73	
			\$/KWH		DISTRIBUTION KW	100	1.4303	\$ 143.03	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		\$/KWH			
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	COST OF POWER KWH	20000	0.0495	\$ 990.68	
	NEXT BLOCK BALANCE	7500	4.3700	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 1,281.70		
			0.0553	\$ 414.75					
	TOTAL			\$ 1,814.53	TOTAL		\$ 2,582.04	\$ 967.52	58.9%

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1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	100000	0.0495	\$	4,952.50				
NEXT BLOCK 12250	12250	0.0753	\$	922.43									
NEXT BLOCK BALANCE	87500	0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE			\$	1,281.70				
		0.0553	\$	4,838.75									
TOTAL			\$	10,511.53	TOTAL			\$	9,332.24	\$	(1,179.29)	-11.2%	

MONTHLY CONSUMPTION 1000KW,300000KW CURRENT BILL					NEW BILL AFTER MARR								
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT		
SERVICE CHARGE			\$	-									
1ST BLOCK 50 KW	50	0.0000	\$	-	COST OF POWER KW	1000	1.6673	\$	1,667.34				
2ND BLOCK BALANCE	950	4.3700	\$	-	DISTRIBUTION KW	1000	1.4303	\$	1,430.30				
		\$/KWH		4,721.50									
1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	300000	0.0495	\$	14,856.69				
NEXT BLOCK 12250	12250	0.0753	\$	922.43									
NEXT BLOCK BALANCE	287500	0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE			\$	1,281.70				
		0.0553	\$	15,898.75									
TOTAL			\$	21,571.53	TOTAL			\$	19,238.03	\$	(2,333.50)	-10.8%	

MONTHLY CONSUMPTION 1000KW,500000KW CURRENT BILL					NEW BILL AFTER MARR								
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT		
SERVICE CHARGE			\$	-									
1ST BLOCK 50 KW	50	0.0000	\$	-	COST OF POWER KW	1000	1.6673	\$	1,667.34				
2ND BLOCK BALANCE	950	4.3700	\$	-	DISTRIBUTION KW	1000	1.4303	\$	1,430.30				
		\$/KWH		4,721.50									
1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	500000	0.0495	\$	24,764.48				
NEXT BLOCK 12250	12250	0.0753	\$	922.43									
NEXT BLOCK BALANCE	487500	0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE			\$	1,281.70				
		0.0553	\$	26,958.75									
TOTAL			\$	32,631.53	TOTAL			\$	29,143.87	\$	(3,487.71)	-10.7%	

SHEET 12 - SENSITIVITY ANALYSIS 1

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Canadian Niagara Power Inc.
ED-1999-01-02
11 Dec 01
5
Timothy B. Curtis
(905) 994-3612

RATE IMPACT OF VARYING THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUE (2001 RATES)

FOR UNBUNDLED RATES

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES. YOU WILL NEED TO ADD GENERAL SERVICE TIME OF USE 750 KWH CONSUMPTION DATA YOURSELF FOR SENSITIVITY ANALYSIS 1, 2 AND 3.

RESIDENTIAL

	VARIABLE KWH REVENUE	SERVICE CHARGE TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$ 3,518,922.17
(B) CHOSEN REVENUE SHARES	0.202	0.798
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 769,969.99	\$ 2,828,932.18
(D) RETAIL KWH	104,279,229	
(E) NUMBER OF CUSTOMERS		13042
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0068	
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$17.9460

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT BILL				UNBUNDLED BILL				IMPACT DOLLARS	IMPACT %
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		
ENTER DESIRED CONSUMPTION LEVEL									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE		0.0535	\$ -		
FIRST 250 KWH			0.1119 \$				\$17.95		
BALANCE TOTAL			0.0694 \$			0.0068	\$ -		
			\$ -				\$ 17.95	\$ 17.95	#DIV/0!
CURRENT BILL				UNBUNDLED BILL					
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY CONSUMPTION OF 250 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	250	0.0535	\$ 13.38		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	0		0.0694 \$ -			0.0068	\$ 1.70	\$ 5.06	18.1%
			\$ 27.98				\$ 33.03		
MONTHLY CONSUMPTION OF 500 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	500	0.0535	\$ 26.77		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	250		0.0694 \$ 17.35			0.0068	\$ 3.40	\$ 2.80	6.2%
			\$ 45.33				\$ 48.12		
MONTHLY CONSUMPTION OF 750 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	750	0.0535	\$ 40.15		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	500		0.0694 \$ 34.70			0.0068	\$ 5.11	\$ 6.53	0.8%
			\$ 62.68				\$ 63.21		
MONTHLY CONSUMPTION OF 1000 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1000	0.0535	\$ 53.54		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	750		0.0694 \$ 52.05			0.0068	\$ 6.81	\$ (1.73)	-2.2%
			\$ 80.03				\$ 76.29		
MONTHLY CONSUMPTION OF 1500 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1500	0.0535	\$ 80.33		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	1250		0.0694 \$ 86.75			0.0068	\$ 10.21	\$ (6.26)	-5.5%
			\$ 114.73				\$ 108.46		
MONTHLY CONSUMPTION OF 2000 KWH									
SERVICE CHARGE			\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	2000	0.0535	\$ 107.07		
FIRST 250 KWH	250		0.1119 \$ 27.98				\$ 17.95		
BALANCE TOTAL	1750		0.0694 \$ 121.45			0.0068	\$ 13.62	\$ (10.79)	-7.2%
			\$ 149.43				\$ 138.64		
ANNUAL CONSUMPTION OF 20000 KWH									
SERVICE CHARGE			\$ -	COST OF POWER ANNUAL DISTRIBUTION CHARGE	20000	0.0535	\$ 1,070.71		
FIRST 250 KWH	3000		0.1119 \$ 335.78				\$ 215.38		
BALANCE TOTAL	17000		0.0694 \$ 1,179.80			0.0068	\$ 136.17		

	TOTAL			\$ 1,515.50		TOTAL		\$ 1,422.26		\$ (83.24)	6.2%
	KWH	RATE \$/KWH	CHARGE \$			KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH	SERVICE CHARGE		\$ -			COST OF POWER	30000	0.0535	\$ 1,606.07		
	FIRST 250 KWH	3000	0.1119	\$ 335.70		ANNUAL DISTRIBUTION CHARGE			\$ 215.38		
	BALANCE TOTAL	27000	0.0694	\$ 1,873.80		DISTRIBUTION KWH	30000	0.0068	\$ 204.26		
			\$ 2,209.50			TOTAL		\$ 2,025.71		\$ (183.79)	-8.3%
GENERAL SERVICE <50 KW											
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE								
			\$ 989,760.08								
(B) CHOSEN REVENUE SHARES	0.202	0.798									
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 199,897.44	\$ 790,862.64	\$ 989,760.08								
(D) RETAIL KWH	37,115.403										
(E) NUMBER OF CUSTOMERS		1,224									
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	30.0054										
(G) MONTHLY SERVICE CHARGE (C)/(E)*12		\$53.7897									
MONTHLY CONSUMPTION 10 KW,250 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -							
	1ST BLOCK 50 KW			0.0000	\$ -						
	2ND BLOCK										
	BALANCE		\$/KWH	4.9700	\$ -	DISTRIBUTION KW		\$ -			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER	250	0.0535	\$ 13.38		
	NEXT BLOCK 12250		0.0753	\$ -		KWH					
	NEXT BLOCK			\$ -		MONTHLY DISTRIBUTION CHARGE		\$53.7897			
	BALANCE		0.0553	\$ -		DISTRIBUTION KWH	250	0.0054	\$ 1.35		
	TOTAL			\$ 28.85		TOTAL		\$ 68.52		\$ 39.67	137.5%
MONTHLY CONSUMPTION 10 KW,500 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -							
	1ST BLOCK 50 KW			0.0000	\$ -						
	2ND BLOCK										
	BALANCE		\$/KWH	4.9700	\$ -	DISTRIBUTION KW		\$ -			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER	500	0.0535	\$ 26.77		
	NEXT BLOCK 12250	250	0.0753	\$ 18.83		KWH					
	NEXT BLOCK			\$ -		MONTHLY DISTRIBUTION CHARGE		\$53.7897			
	BALANCE		0.0553	\$ -		DISTRIBUTION KWH	500	0.0054	\$ 2.68		
	TOTAL			\$ 47.68		TOTAL		\$ 83.25		\$ 35.57	74.6%
MONTHLY CONSUMPTION 10 KW,1000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -							
	1ST BLOCK 50 KW			0.0000	\$ -						
	2ND BLOCK										
	BALANCE		\$/KWH	4.9700	\$ -	DISTRIBUTION KW		\$ -			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER	1000	0.0535	\$ 53.54		
	NEXT BLOCK 12250	750	0.0753	\$ 56.48		KWH					
	NEXT BLOCK			\$ -		MONTHLY DISTRIBUTION CHARGE		\$53.7897			
	BALANCE		0.0553	\$ -		DISTRIBUTION KWH	1000	0.0054	\$ 5.38		
	TOTAL			\$ 85.33		TOTAL		\$ 112.71		\$ 27.38	32.1%
MONTHLY CONSUMPTION 10 KW,2000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -							
	1ST BLOCK 50 KW	10	0.0030	\$ -							
	2ND BLOCK										
	BALANCE	0	\$/KWH	4.9700	\$ -	DISTRIBUTION KW		\$ -			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER	2000	0.0535	\$ 107.07		
	NEXT BLOCK 12250	1750	0.0753	\$ 131.78		KWH					
	NEXT BLOCK			\$ -		MONTHLY DISTRIBUTION CHARGE		\$ 53.79			
	BALANCE		0.0553	\$ -		DISTRIBUTION KWH	2000	0.0054	\$ 10.76		
	TOTAL			\$ 160.63		TOTAL		\$ 171.62		\$ 11.06	6.8%
MONTHLY CONSUMPTION 10 KW,3000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -							
	1ST BLOCK 50 KW	10	0.0000	\$ -							
	2ND BLOCK										
	BALANCE			\$ -		DISTRIBUTION KW		\$ -			

MONTHLY CONSUMPTION 10 KW, 4000 KWH											
BALANCE		\$/KWH		49700 \$ -		\$/KWH					
1ST BLOCK 250 KWH		250		0.1154 \$ 28.85		COST OF POWER KWH		3000 0.0535 \$ 160.61			
NEXT BLOCK 12250		2150		0.0753 \$ 207.08							
NEXT BLOCK				\$ -		MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH					
BALANCE		0.0553 \$ -						3000 0.0054 \$ 16.14			
TOTAL				\$ 235.93		TOTAL				\$ (5.39) -2.3%	
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW		10	0.0000	\$ -							
2ND BLOCK BALANCE		0	4.9700	\$ -		DISTRIBUTION KW			\$ -		
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH		250	0.1154	\$ 28.85		COST OF POWER KWH		4000 0.0535	\$ 214.14		
NEXT BLOCK 12250		3150	0.0753	\$ 282.38							
NEXT BLOCK				\$ -		MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH			\$ 53.79		
BALANCE			0.0553	\$ -				4000 0.0054	\$ 21.52		
TOTAL				\$ 311.23		TOTAL			\$ 289.45	\$ (21.77)	-7.0%
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW		50	0.0000	\$ -							
2ND BLOCK BALANCE		0	4.9700	\$ -		DISTRIBUTION KW			\$ -		
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH		250	0.1154	\$ 28.85		COST OF POWER KWH		5000 0.0535	\$ 267.88		
NEXT BLOCK 12250		4150	0.0753	\$ 357.68							
NEXT BLOCK			0.0000	\$ -		MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH			\$ 53.79		
BALANCE			0.0553	\$ -				5000 0.0054	\$ 26.90		
TOTAL				\$ 386.53		TOTAL			\$ 348.37	\$ (38.18)	-9.9%
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW		50	0.0000	\$ -							
2ND BLOCK BALANCE		0	4.9700	\$ -		DISTRIBUTION KW			\$ -		
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH		250	0.1154	\$ 28.85		COST OF POWER KWH		5000 0.0535	\$ 267.88		
NEXT BLOCK 12250		4150	0.0753	\$ 357.68							
NEXT BLOCK			0.0000	\$ -		MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH			\$ 53.79		
BALANCE			0.0553	\$ -				5000 0.0054	\$ 26.90		
TOTAL				\$ 481.83		TOTAL			\$ 407.28	\$ (54.54)	-11.8%
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW		50	0.0000	\$ -							
2ND BLOCK BALANCE		0	4.9700	\$ -		DISTRIBUTION KW			\$ -		
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH		250	0.1154	\$ 28.85		COST OF POWER KWH		5000 0.0535	\$ 321.21		
NEXT BLOCK 12250		5150	0.0753	\$ 432.98							
NEXT BLOCK			0.0000	\$ -		MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH			\$ 53.79		
BALANCE			0.0553	\$ -				6000 0.0054	\$ 32.28		
TOTAL				\$ 481.83		TOTAL			\$ 407.28	\$ (54.54)	-11.8%
GENERAL SERVICE NON TIME OF USE >50KW											
VARIABLE REVENUE		SERVICE CHARGE		TOTAL REVENUE							
(A) DISTRIBUTION REVENUE				\$ 2,254,353.99							
(B) CHOSEN REVENUE SHARES		0.292		0.798							
(C) RE-ALLOCATED REVENUE (A)-(B)		\$ 454,844.31		\$ 1,799,507.64		\$ 2,254,353.99					
(D) RETAIL KW		318,007									
(E) NUMBER OF CUSTOMERS		117									
(F) DISTRIBUTION KW RATE (\$/KW) (C)-(D)		\$14.103									
(G) MONTHLY SERVICE CHARGE (C)-(F)*12				\$1,281,7006							
ENTER DESIRED CONSUMPTION LEVEL											
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW				\$ -							
2ND BLOCK BALANCE			0.0000	\$ -		COST OF POWER KW		8.8482	\$ -		
			4.3700	\$ -		DISTRIBUTION KW		14.303	\$ -		
			4.9700	\$ -							
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH			0.1154	\$ -		COST OF POWER KWH		0.0371	\$ -	\$ -	#DIV/0!
NEXT BLOCK 12250			0.0753	\$ -							
NEXT BLOCK				\$ -		MONTHLY DISTRIBUTION CHARGE			\$1,281,7006		
BALANCE			0.0553	\$ -							
TOTAL				\$ -		TOTAL			\$ 1,281.70	\$ 1,281.70	#DIV/0!
MONTHLY CONSUMPTION 100KW,20000KWH											
CURRENT BILL		KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE 1ST BLOCK 50 KW		50	0.0000	\$ -							
2ND BLOCK BALANCE			4.3700	\$ -		DISTRIBUTION KW		100 1.6671	\$ 166.73		
			4.9700	\$ -							
			\$/KWH					\$/KWH			
1ST BLOCK 250 KWH			0.1154	\$ -		COST OF POWER KWH		0.0371	\$ -	\$ -	#DIV/0!
NEXT BLOCK 12250			0.0753	\$ -							
NEXT BLOCK				\$ -		MONTHLY DISTRIBUTION CHARGE			\$1,281,7006		
BALANCE			0.0553	\$ -							
TOTAL				\$ -		TOTAL			\$ 1,281.70	\$ 1,281.70	#DIV/0!

BALANCE	50	4.9700	\$	248.50				
1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	20000	0.0495	\$ 990.56
NEXT BLOCK 12250	12250	0.0753	\$	922.43				
NEXT BLOCK BALANCE	2500	0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70
TOTAL				\$ 1,614.53	TOTAL		\$ 2,582.04	\$ 967.52 59.9%

MONTHLY CONSUMPTION 100KW,30000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						
1ST BLOCK 50 KW	50	0.0000	\$ -		COST OF POWER KW	100	1.6673	\$ 166.73	
2ND BLOCK BALANCE	50	4.3700	\$ -		DISTRIBUTION KW	100	1.4303	\$ 143.03	
		\$/KWH	4.9700	\$ 248.50			\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER KWH	30000	0.0495	\$ 1,485.67	
NEXT BLOCK 12250	12250	0.0753	\$ 922.43		MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70	
NEXT BLOCK BALANCE	17500	0.0000	\$ -						
		0.0553	\$ 907.75		TOTAL		\$ 3,077.53	\$ 908.81	42.1%
TOTAL			\$ 2,167.53						

MONTHLY CONSUMPTION 100KW,40000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						
1ST BLOCK 50 KW	50	0.0000	\$ -		COST OF POWER KW	100	1.6673	\$ 166.73	
2ND BLOCK BALANCE	50	4.3700	\$ -		DISTRIBUTION KW	100	1.4303	\$ 143.03	
		\$/KWH	4.9700	\$ 248.50			\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER KWH	40000	0.0495	\$ 1,981.16	
NEXT BLOCK 12250	12250	0.0753	\$ 922.43		MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70	
NEXT BLOCK BALANCE	27500	0.0000	\$ -						
		0.0553	\$ 1,520.75		TOTAL		\$ 3,572.62	\$ 852.10	31.3%
TOTAL			\$ 2,720.50						

MONTHLY CONSUMPTION 500KW,150000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						
1ST BLOCK 50 KW	50	0.0000	\$ -		COST OF POWER KW	500	1.6673	\$ 833.67	
2ND BLOCK BALANCE	450	4.3700	\$ -		DISTRIBUTION KW	500	1.4303	\$ 715.15	
		\$/KWH	4.9700	\$ 2,236.50			\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER KWH	150000	0.0495	\$ 7,429.34	
NEXT BLOCK 12250	12250	0.0753	\$ 922.43		MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70	
NEXT BLOCK BALANCE	137500	0.0000	\$ -						
		0.0553	\$ 7,603.75		TOTAL		\$ 10,259.86	\$ (53,666)	-4.9%
TOTAL			\$ 10,791.53						

MONTHLY CONSUMPTION 500KW,200000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						
1ST BLOCK 50 KW	50	0.0000	\$ -		COST OF POWER KW	500	1.6673	\$ 833.67	
2ND BLOCK BALANCE	450	4.3700	\$ -		DISTRIBUTION KW	500	1.4303	\$ 715.15	
		\$/KWH	4.9700	\$ 2,236.50			\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER KWH	200000	0.0495	\$ 9,905.79	
NEXT BLOCK 12250	12250	0.0753	\$ 922.43		MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70	
NEXT BLOCK BALANCE	187500	0.0000	\$ -						
		0.0553	\$ 10,368.75		TOTAL		\$ 12,736.31	\$ (82,211)	-6.1%
TOTAL			\$ 13,558.53						

MONTHLY CONSUMPTION 500KW,250000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						
1ST BLOCK 50 KW	50	0.0000	\$ -		COST OF POWER KW	500	1.6673	\$ 833.67	
2ND BLOCK BALANCE	450	4.3700	\$ -		DISTRIBUTION KW	500	1.4303	\$ 715.15	
		\$/KWH	4.9700	\$ 2,236.50			\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER KWH	250000	0.0495	\$ 12,382.24	
NEXT BLOCK 12250	12250	0.0753	\$ 922.43		MONTHLY DISTRIBUTION CHARGE			\$ 1,281.70	
NEXT BLOCK BALANCE	237500	0.0000	\$ -						
		0.0553	\$ 13,133.75		TOTAL		\$ 15,212.76	\$ (1,108.77)	-6.8%
TOTAL			\$ 15,321.53						

MONTHLY CONSUMPTION 1000KW,100000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$		UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -						

1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	1000	1.6673	\$ 1.66734
2ND BLOCK BALANCE	950	4.9700	\$ 4.721.50	DISTRIBUTION KW	1000	1.4303	\$ 1.430.30
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	100000	0.0495	\$ 4.95240
NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE			\$ 1.281.70
NEXT BLOCK BALANCE	87500	0.0000	\$ -				
		0.0553	\$ 4.838.75				
TOTAL			\$ 10.511.53	TOTAL			\$ 9.332.24
							\$ 11.179.29
							-11.2%

MONTHLY CONSUMPTION 1000 KW, 300000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	1000	1.6673	\$ 1.667.34	
	2ND BLOCK BALANCE	950	4.9700	\$ 4.721.50	DISTRIBUTION KW	1000	1.4303	\$ 1.430.30	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	200000	0.0495	\$ 9.905.79	
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE			\$ 1.281.70	
	NEXT BLOCK BALANCE	207500	0.0000	\$ -					
			0.0553	\$ 15.898.75					
	TOTAL			\$ 21.571.53	TOTAL		\$ 14.285.13	\$ 17.286.39	-33.8%

MONTHLY CONSUMPTION 1000 KW, 500000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	1000	1.6673	\$ 1.667.34	
	2ND BLOCK BALANCE	950	4.9700	\$ 4.721.50	DISTRIBUTION KW	1000	1.4303	\$ 1.430.30	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	500000	0.0495	\$ 24.764.48	
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE			\$ 1.281.70	
	NEXT BLOCK BALANCE	487500	0.0000	\$ -					
			0.0553	\$ 26.958.75					
	TOTAL			\$ 27.631.53	TOTAL		\$ 29.143.02	\$ 11.487.71	-10.7%

GENERAL SERVICE >50 KW TIME OF USE

(A) DISTRIBUTION REVENUE				
(B) CHOSEN REVENUE SHARES	0.202	0.798		
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ -	\$ -	\$ -	
(D) RETAIL KW	0			
(E) NUMBER OF CUSTOMERS	0			
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!			
(G) MONTHLY SERVICE CHARGE (C)/(E) 12	#DIV/0!			

ENTER DESIRED CONSUMPTION LEVELS	CURRENT BILL			0.0000	UNBUNDLED BILL				
	SERVICE CHARGE								
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER FIRST 50 KW		0.0000	\$ -	COST OF POWER				
	WINTER SECOND BLOCK		0.0000	\$ -	WINTER PEAK	#DIV/0!	#DIV/0!		
	WINTER BALANCE BLOCK	\$/KWH	0.0000	\$ -	WINTER PEAK WINTER OFF PEAK	#DIV/0!	#DIV/0!		
	WINTER PEAK FIRST BLOCK		0.0000	\$ -	DISTRIBUTION KW	#DIV/0!	#DIV/0!		
	WINTER PEAK NEXT BLOCK		0.0000	\$ -	MONTHLY SERVICE CHARGE		#DIV/0!		
	WINTER PEAK NEXT BLOCK		0.0000	\$ -					
	WINTER BALANCE BLOCK		0.0000	\$ -					
	WINTER OFF PEAK ALL		0.0000	\$ -					
	TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
	CURRENT BILL				UNBUNDLED BILL				
	SERVICE CHARGE			0.0000					
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SUMMER FIRST 50 KW		0.0000	\$ -	COST OF POWER				
	SUMMER SECOND BLOCK		0.0000	\$ -	SUMMER PEAK	#DIV/0!	#DIV/0!		
	SUMMER BALANCE BLOCK		0.0000	\$ -	SUMMER PEAK SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
	SUMMER PEAK FIRST BLOCK	\$/KWH	0.0000	\$ -					
	SUMMER PEAK NEXT BLOCK		0.0000	\$ -					
	SUMMER PEAK NEXT BLOCK		0.0000	\$ -					

SUMMER PEAK NEXT BLOCK	0.0000	\$		DISTRIBUTION KW	#DIV/0!	#DIV/0!		
SUMMER BALANCE BLOCK	0.0000	\$	-	MONTHLY SERVICE CHARGE		#DIV/0!		
SUMMER OFF PEAK ALL	0.0000	\$	-					
TOTAL		\$		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE

(B) CHOSEN REVENUE SHARES

(C) RE-ALLOCATED REVENUE (A)*/(B)

(D) RETAIL KW

(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)

(G) MONTHLY SERVICE CHARGE (C)/(E)/12

ENTER DESIRED CONSUMPTION LEVEL

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE \$						
0.202	0.750							
\$	\$	-	\$	-				
0								
#DIV/0!								
	#DIV/0!							

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK			0.0000	COST OF POWER KW WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER PEAK WINTER OFF PEAK		\$/KWH	0.1154	DISTRIBUTION KW	#DIV/0!	#DIV/0!		
			0.0753	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$					

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK			4.3700	COST OF POWER KW SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER PEAK SUMMER OFF PEAK		\$/KWH	0.0000	DISTRIBUTION KW	#DIV/0!	#DIV/0!		
			0.0553	COST OF POWER KWH: SUMMER PEAK SUMMER OFF PEAK MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$					

MONTHLY CONSUMPTION 3000 KW, 500,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000	COST OF POWER KW WINTER PEAK	3000	#DIV/0!	#DIV/0!	
WINTER PEAK WINTER OFF PEAK	250,000	\$/KWH	0.1154	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
	250,000		0.0753	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK MONTHLY DISTRIBUTION CHARGE TOTAL	250000	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ 47,675.00					

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000		4.3700	COST OF POWER KW SUMMER PEAK DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
SUMMER PEAK SUMMER OFF PEAK	250,000	\$/KWH	0.0000	COST OF POWER KWH: SUMMER PEAK SUMMER OFF PEAK MONTHLY DISTRIBUTION CHARGE TOTAL	250000	#DIV/0!	#DIV/0!	#DIV/0!
	250,000		0.0553					
TOTAL			\$ 20,935.00					

MONTHLY CONSUMPTION 3000 KW, 1MILL KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000	COST OF POWER KW WINTER PEAK	3000	#DIV/0!	#DIV/0!	
WINTER PEAK WINTER OFF PEAK	500,000	\$/KWH	0.1154	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
	500,000		0.0753	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK MONTHLY DISTRIBUTION CHARGE TOTAL	500000	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ 37,650.00					

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SUMMER PEAK SUMMER OFF PEAK	750.000 750.000	0.0000 0.0553	\$ - \$ 41,475.00	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!
				COST OF POWER KW		\$/KW	
				SUMMER PEAK	750.000	#DIV/0!	#DIV/0!
				SUMMER OFF PEAK	750.000	#DIV/0!	#DIV/0!
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0! #DIV/0!	#DIV/0! #DIV/0!
TOTAL			\$ 63,325.00				
SENTINEL LIGHTS (NON TIME OF USE)							
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE				
(B) CHOSEN REVENUE SHARES	0.202	0.798	\$ 22,962.86				
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,615.07	\$ 18,329.79	\$ 22,962.86				
(D) RETAIL KW	1,480						
(E) NUMBER OF CONNECTIONS		848					
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.6882						
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013					
SENTINEL LIGHTS (TIME OF USE)							
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE				
(B) CHOSEN REVENUE SHARES	0.202	0.798	\$ 22,962.86				
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,615.07	\$ 18,329.79	\$ 22,962.86				
(D) RETAIL KW	1,480						
(E) NUMBER OF CONNECTIONS		848					
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.6882						
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013					
STREET LIGHTING (NON TIME OF USE)							
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE				
(B) CHOSEN REVENUE SHARES	0.202	0.798	\$ 51,686.07				
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,428.35	\$ 41,257.71	\$ 51,686.07				
(D) RETAIL KW	6,995						
(E) NUMBER OF CONNECTIONS		2903					
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908						
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856					
STREET LIGHTING (TIME OF USE)							
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE				
(B) CHOSEN REVENUE SHARES	0.202	0.798	\$ 51,686.07				
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,428.35	\$ 41,257.71	\$ 51,686.07				
(D) RETAIL KW	6,995						
(E) NUMBER OF CONNECTIONS		2903					
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908						
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856					

Class Breakdown of Cost of Power into Demand, Energy, Peak & Off Peak Periods.

Table 4-7 Residential (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 1,863,089 21.6%	\$ 1,069,459 12.4%	\$ 2,270,415 26.4%	\$ 1,208,339 14.0%	\$ 1,521,746 17.7%	\$ 678,379 7.9%	\$ 8,611,427 100.0%

CNP Residential COP

\$ 1,195,365	\$ 686,169	\$ 1,456,707	\$ 775,275	\$ 976,358	\$ 435,251	\$ 5,525,126
(kW) 130,597	(kW) 100,737	(kWh) 30,951,753	(kWh) 29,946,180	(kWh) 25,117,221	(kWh) 24,487,356	Total kWh 110,502,511
\$9.15	\$6.81	\$0.0471	\$0.0259	\$0.0389	\$0.0178	\$0.0500

Table 4-13 Sentinel Lighting (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 15,306 29.9%	\$ 1,930 3.8%	\$ 9,933 19.4%	\$ 12,923 25.2%	\$ 3,676 7.2%	\$ 7,442 14.5%	\$ 51,210 100.0%

CNP Sentinel COP

\$ 12,137	\$ 1,530	\$ 7,877	\$ 10,248	\$ 2,915	\$ 5,901	\$ 40,608
(kW) 1,110	(kW) 188	(kWh) 140,099	(kWh) 331,364	(kWh) 62,780	(kWh) 277,923	Total kWh 812,167
\$10.93	\$8.14	\$0.0562	\$0.0309	\$0.0464	\$0.0212	\$0.0500

Table 4-42 Street Lighting (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 41,127 29.9%	\$ 5,187 3.8%	\$ 26,724 19.4%	\$ 34,770 25.2%	\$ 9,891 7.2%	\$ 20,022 14.5%	\$ 137,721 100.0%

CNP Street Lighting COP

\$ 37,843	\$ 4,773	\$ 24,590	\$ 31,993	\$ 9,101	\$ 18,423	\$ 126,723
(kW) 3,460	(kW) 586	(kWh) 437,195	(kWh) 1,034,060	(kWh) 195,914	(kWh) 867,293	Total kWh 2,534,462
\$10.94	\$8.14	\$0.0562	\$0.0309	\$0.0465	\$0.0212	\$0.0500

Table 4-23 GS < 50 kW (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 640,399 19.6%	\$ 378,680 11.6%	\$ 966,764 29.6%	\$ 489,015 15.0%	\$ 577,650 17.7%	\$ 214,705 6.6%	\$ 3,267,213 100.0%

CNP GS < 100 kW COP

\$ 385,495	\$ 227,951	\$ 581,955	\$ 294,368	\$ 347,723	\$ 129,244	\$ 1,966,733
(kW)	(kW)	(kWh)	(kWh)	(kWh)	(kWh)	Total kWh
41,465	32,948	12,174,097	11,194,663	8,807,045	7,158,920	39,334,724
\$9.30	\$6.92	\$0.0478	\$0.0263	\$0.0395	\$0.0181	\$0.0500

Table 4-22 GS > 50 kW (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 2,492,383 16.8%	\$ 2,065,686 13.9%	\$ 4,158,835 28.0%	\$ 1,920,090 12.9%	\$ 3,133,673 21.1%	\$ 1,057,485 7.1%	\$ 14,828,152 100.0%

CNP GS > 100 kW COP

\$ 1,178,588	\$ 976,814	\$ 1,966,614	\$ 907,965	\$ 1,481,839	\$ 500,059	\$ 7,011,879
(kW)	(kW)	(kWh)	(kWh)	(kWh)	(kWh)	Total kWh
115,519	136,179	37,657,217	33,806,157	37,594,438	31,179,767	140,237,579
\$10.20	\$7.17	\$0.0522	\$0.0269	\$0.0394	\$0.0160	\$0.0500

Table 4-25 GS Intermediate Use (COP Reconciled \$)

WINTER PEAK (kW)	SUMMER PEAK (kW)	WINTER PEAK (kWh)	WINTER OFF-PEAK (kWh)	SUMMER PEAK (kWh)	SUMMER OFF-PEAK (kWh)	Total
\$ 275,950 16.0%	\$ 192,600 11.2%	\$ 455,541 26.4%	\$ 285,950 16.6%	\$ 342,631 19.9%	\$ 171,148 9.9%	\$ 1,723,820 100.0%

CNP Intermediate Use COP

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(kW)	(kW)	(kWh)	(kWh)	(kWh)	(kWh)	Total kWh
						0
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
						\$0.0000

		29.51	
		28.21	
		27.25	
		28.21	
		33.02	
		37.39	
		54.80	
		56.52	
		30.91	
		33.86	
		23.42	
		<u>51.05</u>	
		36.18	
		36.68	
		38.00	
	Demand	3,805	36%
	Energy	<u>6,718</u>	64%
		10,523	
Residential	Demand	2,932	34%
	Energy	<u>5,679</u>	66%
		8,611	
GS <50 kW	Demand	4,558	31%
	Energy	<u>10,270</u>	69%
		14,828	
GS >50 kW	Demand	1,019	28%
	Energy	<u>2,608</u>	72%
		3,627	

SHEET 13 - SENSITIVITY ANALYSIS 2

NAME OF UTILITY Canadian Niagara Power Inc.
LICENCE NUMBER E.P. 999-0160
DATE 13-Dec-01
VERSION NUMBER 5
NAME OF CONTACT Timothy B. Curtis
PHONE NUMBER (905) 994-3632

RATE IMPACT FOR MARR PRIOR TO MARKET OPENING (i.e. NO TAXES)

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES

THE LEVELS CHOSEN FOR THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUES FOR MARR BEFORE MARKET OPENING AND AFTER MARKET OPENING MUST BE THE SAME AS THE FINAL ONES CHOSEN FOR UNBUNDLED RATES. THIS IS DONE AUTOMATICALLY.

RESIDENTIAL

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$ 3,704,309.41
(B) CHOSEN REVENUE SHARE%	0.21	0.790	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 672,904.96	\$ 2,531,404.43	\$ 3,204,309.41
(D) RETAIL KWH	104,276,229		
(E) NUMBER OF CUSTOMERS		13042	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0065		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$18.1747	

RESIDENTIAL CLASS

NON-TIME OF USE

	CURRENT BILL			NEW BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
ENTER DESIRED CONSUMPTION LEVEL	SERVICE CHARGE		\$ -	COST OF POWER	0.0535	\$ -		
	FIRST 250 KWH		0.1119 \$ -	MONTHLY DISTRIBUTION CHARGE		\$16.17		
	BALANCE TOTAL	0.0694 \$ -	\$ -	DISTRIBUTION KWH TOTAL	0.0065 \$ -	\$ 16.17	\$ 16.17	#DIV/0!
	CURRENT BILL			NEW BILL				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 250 KWH	SERVICE CHARGE		\$ -	COST OF POWER	250 0.0535	\$ 13.38		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 16.17		
	BALANCE TOTAL	0	0.0694 \$ -	DISTRIBUTION KWH TOTAL	250 0.0065	\$ 1.61	\$ 3.20	11.4%
			\$ 27.98			\$ 31.17		
MONTHLY CONSUMPTION OF 500 KWH	SERVICE CHARGE		\$ -	COST OF POWER	500 0.0535	\$ 26.77		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 16.17		
	BALANCE TOTAL	250	0.0694 \$ 17.35	DISTRIBUTION KWH TOTAL	500 0.0065	\$ 3.23	\$ 0.84	1.9%
			\$ 45.33			\$ 46.17		
MONTHLY CONSUMPTION OF 750 KWH	SERVICE CHARGE		\$ -	COST OF POWER	750 0.0535	\$ 40.15		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 16.17		
	BALANCE TOTAL	500	0.0694 \$ 34.70	DISTRIBUTION KWH TOTAL	750 0.0065	\$ 4.84	\$ (1.51)	-2.4%
			\$ 62.68			\$ 61.17		
MONTHLY CONSUMPTION OF 1000 KWH	SERVICE CHARGE		\$ -	COST OF POWER	1000 0.0535	\$ 53.54		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 16.17		
	BALANCE TOTAL	750	0.0694 \$ 52.05	DISTRIBUTION KWH TOTAL	1000 0.0065	\$ 6.45	\$ (3.86)	-4.8%
			\$ 80.03			\$ 76.16		
MONTHLY CONSUMPTION OF 1500 KWH	SERVICE CHARGE		\$ -	COST OF POWER	1500 0.0535	\$ 80.35		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 16.17		
	BALANCE TOTAL	1250	0.0694 \$ 86.71	DISTRIBUTION KWH TOTAL	1500 0.0065	\$ 9.68	\$ (8.57)	-7.5%
			\$ 114.73			\$ 106.16		
MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE		\$ -	COST OF POWER	2000 0.0535	\$ 107.07		

	FIRST 250 KWH	250	0.1119 \$	27.98	MONTHLY DISTRIBUTION CHARGE		\$	16.17				
	BALANCE TOTAL	1750	0.0694 \$	121.45	DISTRIBUTION KWH TOTAL	2000	0.0065 \$	12.91				
				149.43				136.15	\$	(11.27)	-8.9%	
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT		
ANNUAL CONSUMPTION OF 20000 KWH	SERVICE CHARGE		\$	-	COST OF POWER ANNUAL DISTRIBUTION CHARGE	20000	0.0535 \$	1,070.71				
	FIRST 250 KWH	3000	0.1119 \$	335.70	DISTRIBUTION KWH TOTAL	20000	0.0065 \$	129.06				
	BALANCE TOTAL	17000	0.0694 \$	1,179.80				1,393.87	\$	(121.63)	-8.0%	
				1,515.50								
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT		
ANNUAL CONSUMPTION OF 30000 KWH	SERVICE CHARGE		\$	-	COST OF POWER ANNUAL DISTRIBUTION CHARGE	30000	0.0535 \$	1,606.07				
	FIRST 250 KWH	3000	0.1119 \$	335.70	DISTRIBUTION KWH TOTAL	30000	0.0065 \$	193.59				
	BALANCE TOTAL	27000	0.0694 \$	1,873.80				1,993.76	\$	(215.74)	-9.8%	
				2,209.50								
GENERAL SERVICE <50 KW	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE									
(A) DISTRIBUTION REVENUE			\$ 901,269.59									
(B) CHOSEN REVENUE SHARES	0.77	0.230										
(C) RE-RE-ALLOCATED REVENUE (A)/(B)	\$ 683,577.59	\$ 207,292.01	\$ 901,269.59									
(D) RETAIL KWH	37,116,403											
(E) NUMBER OF CUSTOMERS		1224										
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0187											
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$14.1130										
MONTHLY CONSUMPTION 10 KW, 50 KWH Fountains, signals and other scattered load	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT		
	MINIMUM BILL			\$ 8.11								
	1ST BLOCK 50 KW			0.0000 \$ -								
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -	DISTRIBUTION KW			\$ -				
	1ST BLOCK 250 KWH	50	0.1154 \$	5.77	COST OF POWER KWH	50	0.0535 \$	2.68				
	NEXT BLOCK 12250		0.0753 \$	-	MONTHLY DISTRIBUTION CHARGE			\$14.1130				
	NEXT BLOCK		0.0000 \$ -		DISTRIBUTION KWH	50	0.0187 \$	0.93				
	BALANCE		0.0553 \$ -		TOTAL			\$ 17.72	\$	9.61	118.6%	
	TOTAL			\$ 8.11								
MONTHLY CONSUMPTION 10 KW, 100 KWH Railway signals, phone booths	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT		
	SERVICE CHARGE			\$ -								
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW			\$ -				
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -	COST OF POWER KWH	100	0.0535 \$	5.35				
	1ST BLOCK 250 KWH	100	0.1154 \$	11.54	MONTHLY DISTRIBUTION CHARGE			\$14.1130				
	NEXT BLOCK 12250		0.0753 \$	-	DISTRIBUTION KWH	100	0.0187 \$	1.87				
	NEXT BLOCK		0.0000 \$ -		TOTAL			\$ 21.34	\$	9.80	84.9%	
	BALANCE		0.0553 \$ -									
	TOTAL			\$ 11.54								
MONTHLY CONSUMPTION 10 KW, 250 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT		
	SERVICE CHARGE			\$ REQUIREMENT								
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW			\$ -				
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -	COST OF POWER KWH	250	0.0535 \$	13.38				
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	MONTHLY DISTRIBUTION CHARGE			\$14.1130				
	NEXT BLOCK 12250		0.0753 \$	-	DISTRIBUTION KWH	250	0.0187 \$	4.67				
	NEXT BLOCK		0.0000 \$ -		TOTAL			\$ 32.17	\$	3.32	11.5%	
	BALANCE		0.0553 \$ -									
	TOTAL			\$ 28.85								
MONTHLY CONSUMPTION 10 KW, 307 KWH Cable boxes	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT		
	SERVICE CHARGE			\$ -								
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW			\$ -				
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -	COST OF POWER KWH							

MONTHLY CONSUMPTION 10 KW, 500 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					
MONTHLY CONSUMPTION 10 KW, 1000 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					
MONTHLY CONSUMPTION 10 KW, 2000 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					
MONTHLY CONSUMPTION 10 KW, 3000 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					
MONTHLY CONSUMPTION 10 KW, 4000 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					
MONTHLY CONSUMPTION 50 KW, 5000 KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$					
			\$					
			\$					

BALANCE	0	4.9700	\$	-
		\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$	28.85
NEXT BLOCK 12250	4750	0.0753	\$	357.68
NEXT BLOCK		0.0000	\$	-
BALANCE		0.0553	\$	-
TOTAL			\$	386.53

MONTHLY CONSUMPTION 50 KW, 6000 KWH

CURRENT BILL	KW	RATE	CHARGE	
		\$/KW	\$	
SERVICE CHARGE			\$	-
1ST BLOCK 50 KW	50	0.0000	\$	-
2ND BLOCK				
BALANCE	0	4.9700	\$	-
		\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$	28.85
NEXT BLOCK 12250	4750	0.0753	\$	432.98
NEXT BLOCK		0.0000	\$	-
BALANCE		0.0553	\$	-
TOTAL			\$	461.83

COST OF POWER	\$/KWH			
KWH	5000	0.0535	\$	267.68
MONTHLY DISTRIBUTION CHARGE			\$	14.11
DISTRIBUTION KWH	5000	0.0167	\$	93.48
TOTAL			\$	375.27
			\$	(11.25)
				-2.9%

GENERAL SERVICE NON TIME OF USE >50KW

(A) DISTRIBUTION REVENUE	VARIALE REVENUE	SERVICE CHARGE	TOTAL REVENUE
		\$	2,052,801.21
(B) CHOSEN REVENUE SHARES	0.94	0.065	
(C) RE-RE-ALLOCATED REVENUE (A)/(B)	\$ 1,919,421.21	\$ 133,380.00	\$ 2,052,801.21
(D) RETAIL KW	318,307		
(E) NUMBER OF CUSTOMERS		117	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$6.3508		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$95.0000	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE	CHARGE	
		\$/KW	\$	
SERVICE CHARGE			\$	36,000.00
1ST BLOCK 50 KW		0.0000	\$	-
2ND BLOCK				
BALANCE		4.9700	\$	-
		\$/KWH		
1ST BLOCK 250 KWH		0.1154	\$	-
NEXT BLOCK 12250		0.0753	\$	-
NEXT BLOCK		4.9700	\$	-
BALANCE		0.0553	\$	-
TOTAL			\$	-

NEW BILL	RATE	CHARGE	IMPACT	IMPACT
	\$/KW	\$	DOLLARS	
COST OF POWER KW	6.8482	\$	-	
DISTRIBUTION KW	6.0358	\$	-	
COST OF POWER KWH	0.0371	\$	-	#DIV/0!
MONTHLY DISTRIBUTION CHARGE		\$95.0000		
TOTAL		\$ 95.00	\$ 95.00	#DIV/0!

MONTHLY CONSUMPTION 100KW,20000KWH

CURRENT BILL	KW	RATE	CHARGE	
		\$/KW	\$	
SERVICE CHARGE			\$	#REF!
1ST BLOCK 50 KW	50	0.0000	\$	-
2ND BLOCK				
BALANCE	50	4.9700	\$	248.50
		\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$	28.85
NEXT BLOCK 12250	12250	0.0753	\$	922.43
NEXT BLOCK		0.0000	\$	-
BALANCE	7500	0.0553	\$	414.75
TOTAL			\$	1,614.53

NEW BILL	RATE	CHARGE	IMPACT	IMPACT
	\$/KW	\$	DOLLARS	
COST OF POWER KW	100	1.6673	\$	166.73
DISTRIBUTION KW	100	6.0358	\$	603.58
COST OF POWER KWH	20000	0.0495	\$	990.58
MONTHLY DISTRIBUTION CHARGE		\$95.0000		
TOTAL		\$ 1,855.89	\$ 241.37	14.9%

MONTHLY CONSUMPTION 100KW,30000KWH

CURRENT BILL	KW	RATE	CHARGE	
		\$/KW	\$	
SERVICE CHARGE			\$	#REF!
1ST BLOCK 50 KW	50	0.0000	\$	-
2ND BLOCK				
BALANCE	50	4.9700	\$	248.50
		\$/KWH		
1ST BLOCK 250 KWH	250	0.1154	\$	28.85
NEXT BLOCK 12250	12250	0.0753	\$	922.43
NEXT BLOCK		0.0000	\$	-
BALANCE	17100	0.0553	\$	967.75
TOTAL			\$	2,167.53

NEW BILL	RATE	CHARGE	IMPACT	IMPACT
	\$/KW	\$	DOLLARS	
COST OF POWER KW	100	1.6673	\$	166.73
DISTRIBUTION KW	100	6.0358	\$	603.58
COST OF POWER KWH	30000	0.0495	\$	1,485.87
MONTHLY DISTRIBUTION CHARGE		\$95.0000		
TOTAL		\$ 2,351.16	\$ 183.66	8.5%

MONTHLY CONSUMPTION 100KW,40000KWH

CURRENT BILL	KW	RATE	CHARGE	
		\$/KW	\$	
SERVICE CHARGE			\$	#REF!

NEW BILL	RATE	CHARGE	IMPACT	IMPACT
	\$/KW	\$	DOLLARS	

MONTHLY CONSUMPTION 500KW,150000KWH	CURRENT BILL				NEW BILL			
		KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
	SERVICE CHARGE			#REF!				
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	500	1.6673	\$ 833.67
	2ND BLOCK BALANCE	450	4.3700 4.9700	\$ - \$ 2,236.50	DISTRIBUTION KW	500	6.0358	\$ 3,017.89
			\$/KWH				\$/KWH	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	150000	0.0495	\$ 7,429.34
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE		\$95.0000	
	NEXT BLOCK BALANCE	127500	0.0000 0.0553	\$ - \$ 7,603.75	TOTAL		\$ 11,375.90	\$ 584.38 5.4%
	TOTAL			\$ 2,720.53				
MONTHLY CONSUMPTION 500KW,200000KWH	CURRENT BILL				NEW BILL			
		KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
	SERVICE CHARGE			#REF!				
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	500	1.6673	\$ 833.67
	2ND BLOCK BALANCE	450	4.3700 4.9700	\$ - \$ 2,236.50	DISTRIBUTION KW	500	6.0358	\$ 3,017.89
			\$/KWH				\$/KWH	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	200000	0.0495	\$ 9,905.79
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE		\$95.0000	
	NEXT BLOCK BALANCE	127500	0.0000 0.0553	\$ - \$ 10,368.75	TOTAL		\$ 13,852.35	\$ 295.83 2.2%
	TOTAL			\$ 13,556.53				
MONTHLY CONSUMPTION 500KW,250000KWH	CURRENT BILL				NEW BILL			
		KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
	SERVICE CHARGE			#REF!				
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	500	1.6673	\$ 833.67
	2ND BLOCK BALANCE	450	4.3700 4.9700	\$ - \$ 2,236.50	DISTRIBUTION KW	500	6.0358	\$ 3,017.89
			\$/KWH				\$/KWH	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	250000	0.0495	\$ 12,382.24
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE		\$95.0000	
	NEXT BLOCK BALANCE	127500	0.0000 0.0553	\$ - \$ 13,133.75	TOTAL		\$ 16,326.80	\$ 7.27 0.0%
	TOTAL			\$ 16,321.53				
MONTHLY CONSUMPTION 1000KW,100000KWH	CURRENT BILL				NEW BILL			
		KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
	SERVICE CHARGE			#REF!				
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	1000	1.6673	\$ 1,667.34
	2ND BLOCK BALANCE	950	4.3700 4.9700	\$ - \$ 4,721.50	DISTRIBUTION KW	1000	6.0358	\$ 6,035.78
			\$/KWH				\$/KWH	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	100000	0.0495	\$ 4,952.90
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE		\$95.0000	
	NEXT BLOCK BALANCE	127500	0.0000 0.0553	\$ - \$ 4,838.75	TOTAL		\$ 12,751.02	\$ 2,239.49 21.3%
	TOTAL			\$ 10,511.53				
MONTHLY CONSUMPTION 1000 KW,300000KWH	CURRENT BILL				NEW BILL			
		KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
	SERVICE CHARGE			#REF!				
	1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW	1000	1.6673	\$ 1,667.34
	2ND BLOCK BALANCE	950	4.3700 4.9700	\$ - \$ 4,721.50	DISTRIBUTION KW	1000	6.0358	\$ 6,035.78
			\$/KWH				\$/KWH	
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	300000	0.0495	\$ 9,905.79
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY DISTRIBUTION CHARGE		\$95.0000	
	NEXT BLOCK BALANCE	127500	0.0000 0.0553	\$ - \$ 15,898.75	TOTAL		\$ 17,551.02	\$ 2,239.49 21.3%
	TOTAL			\$ 15,898.75				

TOTAL				\$ 21,571.53	TOTAL				\$ 17,703.91	\$ (3,867.61)	-17.9%
MONTHLY CONSUMPTION 1000KW,500000KWH	CURRENT BILL				NEW BILL						
		KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				#REF!						
	1ST BLOCK 50 KW	50	0.0030	\$ -	COST OF POWER			1000	1.6673	\$ 1,667.34	
	2ND BLOCK				DISTRIBUTION KW			1000	6.0356	\$ 6,035.76	
	BALANCE	950	4.9700	\$ 4,721.50							
			\$/KWH		COST OF POWER						
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	KWH			500000	0.0495	\$ 24,764.48	
	NEXT BLOCK 12250	12250	0.0753	\$ 922.43	MONTHLY						
					DISTRIBUTION						
	NEXT BLOCK		0.0000	\$ -	CHARGE					\$95,0000	
	BALANCE	487500	0.0553	\$ 26,958.75							
TOTAL				\$ 32,631.53	TOTAL				\$ 32,562.60	\$ (68.93)	-0.2%

GENERAL SERVICE>50 KW TIME OF USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE		SERVICE CHARGE TOTAL REVENUE								
				#DIV/0!							
(B) CHOSEN REVENUE SHARES	0.00	0.798									
(C) RE-RE-ALLOCATED REVENUE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!								
(D) RETAIL KW	0										
(E) NUMBER OF CUSTOMERS		0									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!										
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#DIV/0!									
CURRENT BILL		NEW BILL									
ENTER DESIRED CONSUMPTION LEVELS	SERVICE CHARGE	0.0000									
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	WINTER FIRST 50 KW		0.0000 \$	-	COST OF POWER						
	WINTER SECOND BLOCK		0.0000 \$	-	WINTER PEAK	#DIV/0!	#DIV/0!				
	WINTER BALANCE BLOCK		0.0000 \$	-		\$/KWH	#DIV/0!	#DIV/0!			
		\$/KWH			WINTER PEAK WINTER OFF PEAK	#DIV/0!	#DIV/0!				
	WINTER PEAK FIRST BLOCK		0.0000 \$	-	DISTRIBUTION KW	#DIV/0!	#DIV/0!				
	WINTER PEAK NEXT BLOCK		0.0000 \$	-	MONTHLY						
	WINTER PEAK NEXT BLOCK		0.0000 \$	-	SERVICE CHARGE	#DIV/0!					
	WINTER BALANCE BLOCK		0.0000 \$	-							
	WINTER OFF PEAK ALL		0.0000 \$	-							
	TOTAL		\$	-	TOTAL		#DIV/0!		#DIV/0!	#DIV/0!	
CURRENT BILL		NEW BILL									
	SERVICE CHARGE	0.0000									
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SUMMER FIRST 50 KW		0.0000 \$	-	COST OF POWER						
	SUMMER SECOND BLOCK		0.0000 \$	-	SUMMER PEAK	#DIV/0!	#DIV/0!				
	SUMMER BALANCE BLOCK		0.0000 \$	-		\$/KWH	#DIV/0!	#DIV/0!			
		\$/KWH			SUMMER PEAK SUMMER OFF PEAK	#DIV/0!	#DIV/0!				
	SUMMER PEAK FIRST BLOCK		0.0000 \$	-							
	SUMMER PEAK NEXT BLOCK		0.0000 \$	-							
	SUMMER PEAK NEXT BLOCK		0.0000 \$	-	DISTRIBUTION KW	#DIV/0!	#DIV/0!				
	SUMMER BALANCE BLOCK		0.0000 \$	-	MONTHLY						
	SUMMER OFF PEAK ALL		0.0000 \$	-	SERVICE CHARGE	#DIV/0!					
	TOTAL		\$	-	TOTAL		#DIV/0!		#DIV/0!	#DIV/0!	

INTERMEDIATE USE

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE			SERVICE CHARGE TOTAL REVENUE						
					#DIV/0!					
	(B) CHOSEN REVENUE SHARES	0.00	0.798							
	(C) RE-RE-ALLOCATED REVENUE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!						
	(D) RETAIL KW	0								
	(E) NUMBER OF CUSTOMERS		0							
	(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!								
	(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#DIV/0!							
	CURRENT BILL			NEW BILL						
	SERVICE CHARGE			0.0000						

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MONTHLY CONSUMPTION 5000 KW, 0.5 MILL KWH					NEW BILL				
CURRENT BILL	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	5000		0.0000	\$ -					
		\$/KWH			COST OF POWER				
WINTER PEAK	250,000	0.1154	\$ 28,850.00		KW				
WINTER OFF PEAK	250,000	0.0753	\$ 18,825.00		WINTER PEAK	5000	#DIV/0!	#DIV/0!	
					DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
					COST OF POWER				
					KWH				
					WINTER PEAK	250,000	#DIV/0!	#DIV/0!	
					WINTER OFF	250,000	#DIV/0!	#DIV/0!	
					PEAK				
					MONTHLY				
					DISTRIBUTION				
					CHARGE		#DIV/0!		
TOTAL			\$ 47,675.00		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	5000		4.3700	\$ 21,850.00	COST OF POWER				
		\$/KWH			KW				
SUMMER PEAK	250,000	0.0000	\$ -		SUMMER PEAK	5000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	250,000	0.0553	\$ 13,625.00						
					DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
						\$/KWH			
					COST OF POWER				
					KWH				
					SUMMER PEAK	250,000	#DIV/0!	#DIV/0!	
					SUMMER OFF	250,000	#DIV/0!	#DIV/0!	
					PEAK				
					MONTHLY				
					DISTRIBUTION				
					CHARGE		#DIV/0!		
TOTAL			\$ 35,675.00		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	5000		0.0000	\$ -					
		\$/KWH			COST OF POWER				
WINTER PEAK	500,000	0.1154	\$ 57,700.00		KW				
WINTER OFF PEAK	500,000	0.0753	\$ 37,650.00		WINTER PEAK	5000	#DIV/0!	#DIV/0!	
					DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
					COST OF POWER				
					KWH				
					WINTER PEAK	500,000	#DIV/0!	#DIV/0!	
					WINTER OFF	500,000	#DIV/0!	#DIV/0!	
					PEAK				
					MONTHLY				
					DISTRIBUTION				
					CHARGE		#DIV/0!		
TOTAL			\$ 95,350.00		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	5000		4.3700	\$ 21,850.00	COST OF POWER				
		\$/KWH			KW				
SUMMER PEAK	500,000	0.0000	\$ -		SUMMER PEAK	5000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	500,000	0.0553	\$ 27,650.00						
					DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
						\$/KWH			
					COST OF POWER				
					KWH				
					SUMMER PEAK	500,000	#DIV/0!	#DIV/0!	
					SUMMER OFF	500,000	#DIV/0!	#DIV/0!	
					PEAK				
					MONTHLY				
					DISTRIBUTION				
					CHARGE		#DIV/0!		
TOTAL			\$ 49,500.00		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	5000		0.0000	\$ -					
		\$/KWH			COST OF POWER				
WINTER PEAK	750,000	0.1154	\$ 86,550.00		KW				
WINTER OFF PEAK	750,000	0.0753	\$ 56,475.00		WINTER PEAK	5000	#DIV/0!	#DIV/0!	
					DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
					COST OF POWER				
					KWH				
					WINTER PEAK	750,000	#DIV/0!	#DIV/0!	
					WINTER OFF	750,000	#DIV/0!	#DIV/0!	
					PEAK				
					MONTHLY				
					DISTRIBUTION				
					CHARGE		#DIV/0!		
TOTAL			\$ 143,025.00		TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	5000		4.3700	\$ 21,850.00	COST OF POWER				
					KW				

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(E) NUMBER OF CONNECTIONS	2900
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.3575
(G) MONTHLY SERVICE CHARGE (C)/(E)/12	\$1.0796

SHEET 14 - SENSITIVITY ANALYSIS 3

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Canadian Niagara Power Inc
ED: 1999-0160
13-Dec-01
5
Timothy B. Curtis
(905) 994-3632

RATE IMPACT FOR MARR AFTER MARKET OPENING (i.e. INCLUDES TAXES)

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES.

THE LEVELS CHOSEN FOR THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUES FOR MARR BEFORE MARKET OPENING AND AFTER MARKET OPENING MUST BE THE SAME AS THE FINAL ONES CHOSEN FOR UNBUNDLED RATES. THIS IS DONE AUTOMATICALLY.

RESIDENTIAL

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$ 3,518,922.17
(B) CHOSEN REVENUE SHARES	0.21	0.730	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 730,973.66	\$ 2,779,948.51	\$ 3,518,922.17
(D) RETAIL KWH	04,276,229		
(E) NUMBER OF CUSTOMERS		13042	
(F) DISTRIBUTION KWH RATE, (\$/KWH) (C)/(D)	\$0.0071		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$17.7629	

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT BILL				NEW BILL					
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
ENTER DESIRED CONSUMPTION LEVEL	SERVICE CHARGE		\$ -			0.0535	\$ -		
	FIRST 250 KWH		0.1119 \$ -				\$17.76		
	BALANCE		0.0694 \$ -			0.0071	\$ -		
	TOTAL		\$ -				\$ 17.76	\$ 17.76	#DIV/0!
CURRENT BILL				NEW BILL					
MONTHLY CONSUMPTION OF 250 KWH	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -			250 0.0535	\$ 13.38		
	FIRST 250 KWH	250	0.1119 \$ 27.98				\$ 17.76		
	BALANCE	0	0.0694 \$ -			250 0.0071	\$ 1.77	\$ 4.94	17.7%
MONTHLY CONSUMPTION OF 500 KWH	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -			500 0.0535	\$ 26.77		
	FIRST 250 KWH	250	0.1119 \$ 27.98				\$ 17.76		
	BALANCE	250	0.0694 \$ 17.35			500 0.0071	\$ 3.54	\$ 2.75	5.1%
MONTHLY CONSUMPTION OF 750 KWH	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -			750 0.0535	\$ 40.15		
	FIRST 250 KWH	250	0.1119 \$ 27.98				\$ 17.76		
	BALANCE	500	0.0694 \$ 34.70			750 0.0071	\$ 5.32	\$ 0.55	0.9%
MONTHLY CONSUMPTION OF 1000 KWH	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -			1000 0.0535	\$ 53.54		
	FIRST 250 KWH	250	0.1119 \$ 27.98				\$ 17.76		
	BALANCE	750	0.0694 \$ 52.05			1000 0.0071	\$ 7.09	\$ (1.64)	-2.0%
MONTHLY CONSUMPTION OF 1500 KWH	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -			1500 0.0535	\$ 80.30		
	FIRST 250 KWH	250	0.1119 \$ 27.98				\$ 17.76		
	BALANCE	1250	0.0694 \$ 86.75			1500 0.0071	\$ 10.83	\$ (6.03)	-5.3%
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT

			\$/KWH	\$		\$/KWH	\$		DOLLARS
MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE			\$ -	COST OF POWER	2000	0.0535	\$ 107.07	
	FIRST 250 KWH	250	0.1119	\$ 27.98	MONTHLY DISTRIBUTION CHARGE			\$ 17.75	
	BALANCE	1750	0.0694	\$ 121.45	DISTRIBUTION KWH	2000	0.0071	\$ 14.17	
	TOTAL			\$ 149.43	TOTAL			\$ 139.01	\$ (10.42) -7.0%

	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 20000 KWH	SERVICE CHARGE		\$ -		COST OF POWER	20000	0.0535	\$ 1070.71		
	FIRST 250 KWH	3000	0.1119	\$ 335.70	ANNUAL DISTRIBUTION CHARGE			\$ 213.15		
	BALANCE	17000	0.0694	\$ 1,173.80	DISTRIBUTION KWH	20000	0.0071	\$ 141.73		
	TOTAL			\$ 1,513.50	TOTAL			\$ 1,425.60	\$ (89.90) -5.9%	

	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH	SERVICE CHARGE		\$ -		COST OF POWER	30000	0.0535	\$ 1,605.07		
	FIRST 250 KWH	3000	0.1119	\$ 335.70	ANNUAL DISTRIBUTION CHARGE			\$ 213.15		
	BALANCE	27000	0.0694	\$ 1,873.80	DISTRIBUTION KWH	30000	0.0071	\$ 212.60		
	TOTAL			\$ 2,209.50	TOTAL			\$ 2,031.82	\$ (177.68) -8.0%	

GENERAL SERVICE <50 KW

(A) DISTRIBUTION REVENUE		VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.27		0.230	
(C) RE-ALLOCATED REVENUE (A)-(B)	\$ 762,115.26	\$	\$ 227,644.82	\$ 989,760.08
(D) RETAIL KWH	37,116.403			
(E) NUMBER OF CUSTOMERS			1224	
(F) DISTRIBUTION KWH RATE: (\$/KWH) (C)/(D)	\$0.0205			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12			\$15.4987	

MONTHLY CONSUMPTION 10 KW,250 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			REQUIREMENT					
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW		\$ -		
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -		\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	250	0.0535	\$ 13.38	
	NEXT BLOCK 12250		0.0753	\$ -	MONTHLY DISTRIBUTION CHARGE			\$15.4987	
	NEXT BLOCK			\$ -	DISTRIBUTION KWH	250	0.0205	\$ 5.13	
	BALANCE		0.0553	\$ -	TOTAL		\$ 34.02	\$ 5.17	17.9%
	TOTAL			\$ 28.85					

MONTHLY CONSUMPTION 10 KW,500 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW		\$ -		
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -		\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	500	0.0535	\$ 26.77	
	NEXT BLOCK 12250	250	0.0753	\$ 18.83	MONTHLY DISTRIBUTION CHARGE			\$15.4987	
	NEXT BLOCK			\$ -	DISTRIBUTION KWH	500	0.0205	\$ 10.27	
	BALANCE		0.0553	\$ -	TOTAL		\$ 52.53	\$ 4.86	10.2%
	TOTAL			\$ 47.68					

MONTHLY CONSUMPTION 10 KW,1000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW			0.0000 \$ -	DISTRIBUTION KW		\$ -		
	2ND BLOCK BALANCE		\$/KWH	4.9700 \$ -		\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	1000	0.0535	\$ 53.54	
	NEXT BLOCK 12250	250	0.0753	\$ 18.83					

					MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH				
NEXT BLOCK					\$ 15.4887				
BALANCE					1000 0.0205 \$ 20.53				
TOTAL					\$ 89.57 \$ 4.24 5.0%				
MONTHLY CONSUMPTION 10 KW,2000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					10 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 160.63				
MONTHLY CONSUMPTION 10 KW,3000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					10 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 235.93				
MONTHLY CONSUMPTION 10 KW,4000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					10 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 311.23				
MONTHLY CONSUMPTION 10 KW,5000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					10 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 386.53				
MONTHLY CONSUMPTION 50 KW, 6000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					50 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 386.53				
MONTHLY CONSUMPTION 50 KW, 6000 KWH					NEW BILL				
CURRENT BILL KW					RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT				
SERVICE CHARGE									
1ST BLOCK 50 KW					50 0.0000 \$ -				
2ND BLOCK BALANCE					0 \$/KWH 4.9700 \$ -				
1ST BLOCK 250 KWH					250 0.1154 \$ 28.85				
NEXT BLOCK 12250					12250 0.0753 \$ 921.78				
NEXT BLOCK					0.0000 \$ -				
BALANCE					0.0553 \$ -				
TOTAL					\$ 386.53				

1ST BLOCK 250 KWH	250	0.1154 \$	28.85
NEXT BLOCK 12250	5750	0.0753 \$	432.98
NEXT BLOCK		0.0000 \$	-
BALANCE		0.0553 \$	-
TOTAL		\$	461.83

COST OF POWER KWH	6000	0.0535 \$	321.21
MONTHLY DISTRIBUTION CHARGE		\$	15.50
DISTRIBUTION KWH	6000	0.0205 \$	123.19
TOTAL		\$	459.90
		\$	(1.92) -0.4%

GENERAL SERVICE NON TIME OF USE >50KW

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.94	0.065	\$ 2,254,353.99
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 2,107,876.17	\$ 146,475.82	\$ 2,254,353.99
(D) RETAIL KW	318,007		
(E) NUMBER OF CUSTOMERS		1-7	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$6.6284		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$124.3275	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SERVICE CHARGE			
1ST BLOCK 50 KW		0.0000 \$	-
2ND BLOCK		4.3700 \$	-
BALANCE		4.9700 \$	-
		\$/KWH	
1ST BLOCK 250 KWH		0.1154 \$	-
NEXT BLOCK 12250		0.0753 \$	-
NEXT BLOCK		4.3700 \$	-
BALANCE		0.0553 \$	-
TOTAL		\$	-

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW	0.0000 \$	-		
DISTRIBUTION KW	6.6284 \$	-		
	\$/KWH			
COST OF POWER KWH	0.0495 \$	-	\$ -	#DIV/0!
MONTHLY DISTRIBUTION CHARGE		\$104.3275		
TOTAL		\$ 104.33	\$ 104.33	#DIV/0!

MONTHLY CONSUMPTION 100KW,20000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SERVICE CHARGE			#REF!
1ST BLOCK 50 KW	50	0.0000 \$	-
2ND BLOCK	50	4.3700 \$	-
BALANCE		4.9700 \$	248.50
		\$/KWH	
1ST BLOCK 250 KWH	250	0.1154 \$	28.85
NEXT BLOCK 12250	12250	0.0753 \$	922.43
NEXT BLOCK		0.0000 \$	-
BALANCE	7500	0.0553 \$	414.75
TOTAL		\$	1,614.53

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW	100 1.6673 \$	166.73		
DISTRIBUTION KW	100 6.6284 \$	662.84		
	\$/KWH			
COST OF POWER KWH	20000 0.0495 \$	990.58		
MONTHLY DISTRIBUTION CHARGE		\$ 124.33		
TOTAL		\$ 1,924.48	\$ 309.96	19.2%

MONTHLY CONSUMPTION 100KW,30000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SERVICE CHARGE			#REF!
1ST BLOCK 50 KW	50	0.0000 \$	-
2ND BLOCK	50	4.3700 \$	-
BALANCE		4.9700 \$	248.50
		\$/KWH	
1ST BLOCK 250 KWH	250	0.1154 \$	28.85
NEXT BLOCK 12250	12250	0.0753 \$	922.43
NEXT BLOCK		0.0000 \$	-
BALANCE	17500	0.0553 \$	967.75
TOTAL		\$	2,167.53

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW	100 1.6673 \$	166.73		
DISTRIBUTION KW	100 6.6358 \$	663.58		
	\$/KWH			
COST OF POWER KWH	30000 0.0495 \$	1,485.87		
MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
TOTAL		\$ 2,360.51	\$ 192.98	8.9%

MONTHLY CONSUMPTION 100KW,40000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SERVICE CHARGE			#REF!
1ST BLOCK 50 KW	50	0.0000 \$	-
2ND BLOCK	50	4.3700 \$	-
BALANCE		4.9700 \$	248.50
		\$/KWH	
1ST BLOCK 250 KWH	250	0.1154 \$	28.85
NEXT BLOCK 12250	12250	0.0753 \$	922.43

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW	100 1.6673 \$	166.73		
DISTRIBUTION KW	100 6.6284 \$	662.84		
	\$/KWH			
COST OF POWER KWH	40000 0.0495 \$	1,981.16		

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	NEXT BLOCK 12250	12250	0.0753	\$	922.43						
	NEXT BLOCK BALANCE	287500	0.0000 0.0553	\$	- 15,898.75						
	TOTAL			\$	21,571.53						
						MONTHLY DISTRIBUTION CHARGE		\$	104.33		
						TOTAL		\$	18,305.86	\$ (3,265.67) -15.1%	
MONTHLY CONSUMPTION 1000KW,500000KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				#REF!						
	1ST BLOCK 50 KW	50	0.0000	\$	-	COST OF POWER KW DISTRIBUTION KW	1000	1.6673	\$	1,667.34	
	2ND BLOCK BALANCE	950	4.9700 4.9700	\$	- 4,721.50		1000	6.6284	\$	6,628.40	
			\$/KWH					\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	500000	0.0495	\$	24,764.48	
	NEXT BLOCK 12250	12250	0.0753	\$	922.43						
						MONTHLY DISTRIBUTION CHARGE			\$	104.33	
	NEXT BLOCK BALANCE	487500	0.0000 0.0553	\$	- 26,958.75						
	TOTAL			\$	32,631.53	TOTAL			\$	33,164.54	\$ 533.02 1.6%

GENERAL SERVICE >50 KW TIME OF USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE						
(B) CHOSEN REVENUE SHARES	0.20	0.798	#REF!						
(C) RE-ALLOCATED REVENUE (A)/(B)	#REF!	#REF!	#REF!						
(D) RETAIL KW	B	G							
(E) NUMBER OF CUSTOMERS									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!								
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#REF!							
ENTER DESIRED CONSUMPTION LEVELS	SERVICE CHARGE	0.0000							
	KW	RATE	CHARGE	RATE	CHARGE	IMPACT	IMPACT		
		\$/KW	\$	\$/KW	\$	DOLLARS	DOLLARS		
WINTER FIRST 50 KW			0.0000	\$	-	COST OF POWER			
WINTER SECOND BLOCK			0.0000	\$	-	WINTER PEAK	#DIV/0!	#DIV/0!	
WINTER BALANCE BLOCK			0.0000	\$	-	WINTER PEAK WINTER OFF PEAK	\$/KWH #DIV/0!	#DIV/0!	
		\$/KWH				DISTRIBUTION KW	#DIV/0!	#DIV/0!	
WINTER PEAK FIRST BLOCK			0.0000	\$	-	MONTHLY SERVICE CHARGE	#REF!	#REF!	
WINTER PEAK NEXT BLOCK			0.0000	\$	-		#REF!		
WINTER PEAK NEXT BLOCK			0.0000	\$	-				
WINTER BALANCE BLOCK			0.0000	\$	-				
WINTER OFF PEAK ALL			0.0000	\$	-				
TOTAL			\$	-		TOTAL	#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL						NEW BILL			
SERVICE CHARGE			0.0000						
	KW	RATE	CHARGE	RATE	CHARGE	IMPACT	IMPACT		
		\$/KW	\$	\$/KW	\$	DOLLARS	DOLLARS		
SUMMER FIRST 50 KW			0.0000	\$	-	COST OF POWER			
SUMMER SECOND BLOCK			0.0000	\$	-	SUMMER PEAK	#DIV/0!	#DIV/0!	
SUMMER BALANCE BLOCK			0.0000	\$	-	SUMMER PEAK	\$/KWH #DIV/0!	#DIV/0!	
		\$/KWH				SUMMER OFF PEAK	#DIV/0!	#DIV/0!	
SUMMER PEAK FIRST BLOCK			0.0000	\$	-	DISTRIBUTION KW	#REF!	#REF!	
SUMMER PEAK NEXT BLOCK			0.0000	\$	-	MONTHLY SERVICE CHARGE	#REF!	#REF!	
SUMMER PEAK NEXT BLOCK			0.0000	\$	-		#REF!		
SUMMER BALANCE BLOCK			0.0000	\$	-				
SUMMER OFF PEAK ALL			0.0000	\$	-				
TOTAL			\$	-		TOTAL	#DIV/0!	#DIV/0!	#DIV/0!

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES
(C) RE-ALLOCATED REVENUE (A)/(B)
(D) RETAIL KW
(E) NUMBER OF CUSTOMERS
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)
(G) MONTHLY SERVICE CHARGE (C)/(E)/12

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
#REF!	#REF!	#REF!
0.20	0.798	
#REF!	#REF!	#REF!
0		
	0	
#REF!		
#REF!	#REF!	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK			0.0000 \$ -
		\$/KWH	
WINTER PEAK			0.1154 \$ -
WINTER OFF PEAK			0.0753 \$ -
TOTAL			\$ -

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	#DIV/0!	#DIV/0!		
DISTRIBUTION KW	#REF!	#REF!		
COST OF POWER KWH				
WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE				
TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK			4.3700 \$ -
		\$/KWH	
SUMMER PEAK			0.0000 \$ -
SUMMER OFF PEAK			0.0553 \$ -
TOTAL			\$ -

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
SUMMER PEAK	#DIV/0!	#DIV/0!		
DISTRIBUTION KW	#REF! \$/KWH	#REF!		
COST OF POWER KWH				
SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE				
TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 500,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000		0.0000 \$ -
		\$/KWH	
WINTER PEAK	250,000	0.1154	28,850.00
WINTER OFF PEAK	250,000	0.0753	18,825.00
TOTAL			\$ 47,675.00

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
COST OF POWER KWH				
WINTER PEAK	250000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	250000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE				
TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	4.3700	13,110.00
		\$/KWH	
SUMMER PEAK	250,000	0.0000	\$ -
SUMMER OFF PEAK	250,000	0.0553	13,825.00
TOTAL			\$ 26,935.00

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION	3000 #DIV/0!	#DIV/0!		
		\$/KWH		
COST OF POWER KWH				
SUMMER PEAK	250000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	250000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE				
TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 1 MILL KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
		\$/KWH	
WINTER PEAK	500,000	0.1154	\$ 57,700.00
WINTER OFF PEAK	500,000	0.0753	\$ 37,650.00
TOTAL			\$ 95,350.00

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	4.3700	\$ 13,110.00
		\$/KWH	
SUMMER PEAK	500,000	0.0000	\$ -
SUMMER OFF PEAK	500,000	0.0553	\$ 27,650.00
TOTAL			\$ 40,760.00

MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
		\$/KWH	
WINTER PEAK	750,000	0.1154	\$ 86,550.00
WINTER OFF PEAK	750,000	0.0753	\$ 56,475.00
TOTAL			\$ 143,025.00

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	4.3700	\$ 13,110.00
		\$/KWH	
SUMMER PEAK	750,000	0.0000	\$ -
SUMMER OFF PEAK	750,000	0.0553	\$ 41,475.00
TOTAL			\$ 54,585.00

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
COST OF POWER KWH				
WINTER PEAK	500000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	500000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
		\$/KWH		
COST OF POWER KWH				
SUMMER PEAK	500000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	500000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
COST OF POWER KWH				
WINTER PEAK	750000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	750000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
		\$/KWH		
COST OF POWER KWH				
SUMMER PEAK	750000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	750000 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

	VARIABLE REVENUE	SERVICE CHARGE TOTAL REVENUE
(A) DISTRIBUTION REVENUE		#REF!
(B) CHOSEN REVENUE SHARES	0.20	0.798
(C) RE-ALLOCATED REVENUE (A)*(B)	#REF!	#REF!
(D) RETAIL KW	0	
(E) NUMBER OF CUSTOMERS		0
(F) DISTRIBUTION KW RATE: (\$/KW) (C)/(D)	#REF!	

(G) MONTHLY SERVICE CHARGE (C)/(E)/12

#REF!

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK			0.0000 \$ -
SUMMER PEAK			0.0000 \$ -
		\$/KWH	
WINTER PEAK		0.0000	\$ -
WINTER OFF PEAK		0.0000	\$ -
SUMMER PEAK		0.0000	\$ -
SUMMER OFF PEAK		0.0000	\$ -
TOTAL			\$ -

NEW BILL

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	#DIV/0!	#DIV/0!		
SUMMER PEAK DISTRIBUTION KW	#DIV/0!	#DIV/0!		
	#REF!	#REF!		
COST OF POWER KWH				
WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	#DIV/0!	#DIV/0!		
SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE		#REF!		
TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 5000KW, 0.5 MILL.KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	2490		0.0000 \$ -
SUMMER PEAK	2510		0.0000 \$ -
		\$/KWH	
WINTER PEAK	126725	0.0000	\$ -
WINTER OFF PEAK	125344	0.0000	\$ -
SUMMER PEAK	125677	0.0000	\$ -
SUMMER OFF PEAK	122254	0.0000	\$ -
TOTAL			\$ -

NEW BILL

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	2490 #DIV/0!	#DIV/0!		
SUMMER PEAK DISTRIBUTION KW	2510 #DIV/0!	#DIV/0!		
	5000 #REF!	#REF!		
COST OF POWER KWH				
WINTER PEAK	126725 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	125344 #DIV/0!	#DIV/0!		
SUMMER PEAK	125677 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	122254 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE		#REF!		
TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 5000KW, 1 MILL.KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	2490		0.0000 \$ -
SUMMER PEAK	2510		0.0000 \$ -
		\$/KWH	
WINTER PEAK	253450	0.0000	\$ -
WINTER OFF PEAK	250588	0.0000	\$ -
SUMMER PEAK	251354	0.0000	\$ -
SUMMER OFF PEAK	244508	0.0000	\$ -
TOTAL			\$ -

NEW BILL

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	2490 #DIV/0!	#DIV/0!		
SUMMER PEAK DISTRIBUTION KW	2510 #DIV/0!	#DIV/0!		
	5000 #REF!	#REF!		
COST OF POWER KWH				
WINTER PEAK	253450 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	250588 #DIV/0!	#DIV/0!		
SUMMER PEAK	251354 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	244508 #DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE		#REF!		
TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 5000KW, 1.5 MILL.KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	2490		0.0000 \$ -
SUMMER PEAK	2510		0.0000 \$ -
		\$/KWH	
WINTER PEAK	380175	0.0000	\$ -
WINTER OFF PEAK	376332	0.0000	\$ -
SUMMER PEAK	377331	0.0000	\$ -

NEW BILL

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW				
WINTER PEAK	2490 #DIV/0!	#DIV/0!		
SUMMER PEAK DISTRIBUTION KW	2510 #DIV/0!	#DIV/0!		
	5000 #REF!	#REF!		
COST OF POWER KWH				
WINTER PEAK	380175 #DIV/0!	#DIV/0!		

SUMMER OFF PEAK	366762	0.0000	\$ -	WINTER OFF PEAK	376032	#DIV/0!	#DIV/0!
				SUMMER PEAK	377031	#DIV/0!	#DIV/0!
				SUMMER OFF PEAK	366762	#DIV/0!	#DIV/0!
				MONTHLY DISTRIBUTION CHARGE		#REF!	
TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0! #DIV/0!

SENTINEL LIGHTS (NON TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	22,962.86
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,633.07	\$ 18,329.79	\$ 22,962.86
(D) RETAIL KW	2,480		
(E) NUMBER OF CONNECTIONS		848	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.6682		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013	

SENTINEL LIGHTS (TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	22,962.86
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,633.07	\$ 18,329.79	\$ 22,962.86
(D) RETAIL KW	2,480		
(E) NUMBER OF CONNECTIONS		848	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.6682		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013	

STREET LIGHTING (NON TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,426.36	\$ 41,257.71	\$ 51,686.07
(D) RETAIL KW	6,995		
(E) NUMBER OF CONNECTIONS		2900	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856	

STREET LIGHTING (TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,426.36	\$ 41,257.71	\$ 51,686.07
(D) RETAIL KW	6,995		
(E) NUMBER OF CONNECTIONS		2900	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856	

GENERAL SERVICE <50 KW		VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$	989,760.08
(B) CHOSEN REVENUE SHARES	0.77	0.230		
(C) RE-ALLOCATED REVENUE ((A)*B)	\$ 762,115.26	\$ 227,644.82	\$	989,760.08
(D) RETAIL KWH	57,119,403			
(E) NUMBER OF CUSTOMERS		1224		
(F) DISTRIBUTION KWH RATE (\$/KWH) ((C)/(D))	\$0.0205			
(G) MONTHLY SERVICE CHARGE ((C)/(E))*12		\$15,498.7		

MONTHLY CONSUMPTION 10 KW,500 KWH	CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SERVICE CHARGE			\$ -							
1ST BLOCK 50 KW			0.0000 \$ -							
2ND BLOCK BALANCE			4.9700 \$ -		DISTRIBUTION KW		\$ -			
		\$/KWH					\$/KWH			
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85		COST OF POWER (KWH)	500	0.0603	\$ 30.16		
NEXT BLOCK 1250	250	0.0753	\$ 18.83							
					MONTHLY DISTRIBUTION CHARGE			\$15.4987		
NEXT BLOCK BALANCE			0.0553 \$ -		DISTRIBUTION KWH	500	0.0205	\$ 10.27		
TOTAL			\$ 47.68		TOTAL		\$ 55.92		\$ 8.24	17.3%

	TOTAL			\$	85.33	TOTAL		\$	96.34	\$	11.02	12.9%
MONTHLY CONSUMPTION 10 KW,2000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-							
	1ST BLOCK 50 KW	10	0.0000	\$	-	DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	4.9700	\$	-			\$/KWH				
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	2000	0.0603	\$	120.62		
	NEXT BLOCK 12250	1750	0.0753	\$	131.78	MONTHLY DISTRIBUTION CHARGE		\$	15.50			
	NEXT BLOCK		0.0000	\$	-	DISTRIBUTION KWH	2000	0.0205	\$	41.06		
	BALANCE		0.0553	\$	-	TOTAL		\$	177.18	\$	16.56	10.3%
	TOTAL			\$	160.63							
MONTHLY CONSUMPTION 10 KW,3000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	0.06							
	1ST BLOCK 50 KW	10	0.0000	\$	-	DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	4.9700	\$	-			\$/KWH				
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	3000	0.0603	\$	180.33		
	NEXT BLOCK 12250	2750	0.0753	\$	207.08	MONTHLY DISTRIBUTION CHARGE		\$	15.50			
	NEXT BLOCK		0.0000	\$	-	DISTRIBUTION KWH	3000	0.0205	\$	61.60		
	BALANCE		0.0553	\$	-	TOTAL		\$	258.02	\$	22.10	9.4%
	TOTAL			\$	235.93							
MONTHLY CONSUMPTION 10 KW,4000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-							
	1ST BLOCK 50 KW	10	0.0000	\$	-	DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	4.9700	\$	-			\$/KWH				
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	4000	0.0603	\$	241.24		
	NEXT BLOCK 12250	3750	0.0753	\$	282.38	MONTHLY DISTRIBUTION CHARGE		\$	15.50			
	NEXT BLOCK		0.0000	\$	-	DISTRIBUTION KWH	4000	0.0205	\$	82.13		
	BALANCE		0.0553	\$	-	TOTAL		\$	338.87	\$	27.64	8.9%
	TOTAL			\$	311.23							
MONTHLY CONSUMPTION 10 KW,5000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-							
	1ST BLOCK 50 KW	10	0.0000	\$	-	DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	4.9700	\$	-			\$/KWH				
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	5000	0.0603	\$	301.55		
	NEXT BLOCK 12250	4750	0.0753	\$	357.60	MONTHLY DISTRIBUTION CHARGE		\$	15.50			
	NEXT BLOCK		0.0000	\$	-	DISTRIBUTION KWH	5000	0.0205	\$	102.66		
	BALANCE		0.0553	\$	-	TOTAL		\$	419.71	\$	33.18	8.6%
	TOTAL			\$	386.53							
MONTHLY CONSUMPTION 50 KW, 6000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-							
	1ST BLOCK 50 KW	50	0.0000	\$	-	DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	4.9700	\$	-			\$/KWH				
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	6000	0.0603	\$	361.86		
	NEXT BLOCK 12250	5750	0.0753	\$	432.98	MONTHLY DISTRIBUTION CHARGE		\$	15.50			
	NEXT BLOCK		0.0000	\$	-	DISTRIBUTION KWH	6000	0.0205	\$	123.19		
	BALANCE		0.0553	\$	-							
	TOTAL			\$	474.91							

TOTAL	\$	461.83	TOTAL	\$	500.55	\$	38.73	8.4%
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GENERAL SERVICE NON TIME OF USE >50KW

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
			\$ 2,254,353.99
(B) CHOSEN REVENUE SHARES	0.94	0.065	
(C) RE-ALLOCATED REVENUE (A)/(B):	\$ 2,107,878.17	\$ 146,475.82	\$ 2,254,353.99
(D) RETAIL KW	319,067		
(E) NUMBER OF CUSTOMERS		117	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	56.6284		
(G) MONTHLY SERVICE CHARGE (C)/(F)/12		\$104.3275	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	0.0000 \$ -			
2ND BLOCK BALANCE		\$/KWH	4.3700 \$ - 4.9700 \$ -		6.6284 \$ -			
1ST BLOCK 250 KWH			0.1154 \$ -	COST OF POWER KWH	0.0584 \$ -		\$ -	#DIV/0!
NEXT BLOCK 12250			0.0753 \$ -					
NEXT BLOCK BALANCE			4.3700 \$ - 0.0553 \$ -	MONTHLY DISTRIBUTION CHARGE		\$104.3275		
TOTAL			\$ -	TOTAL		\$ 104.33	\$ 104.33	#DIV/0!

MONTHLY CONSUMPTION 100KW,20000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50	\$/KWH	4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	20000 0.0584 \$ 1,168.20			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
NEXT BLOCK BALANCE	7500		0.0000 \$ - 0.0553 \$ 414.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
TOTAL			\$ 1,674.53	TOTAL		\$ 2,102.10	\$ 487.59	30.2%

MONTHLY CONSUMPTION 100KW,30000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50	\$/KWH	4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	30000 0.0584 \$ 1,752.30			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
NEXT BLOCK BALANCE	17500		0.0000 \$ - 0.0553 \$ 967.75	MONTHLY DISTRIBUTION CHARGE		\$ -		
TOTAL			\$ 2,167.53	TOTAL		\$ 2,581.87	\$ 414.35	19.1%

MONTHLY CONSUMPTION 100KW,40000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50	\$/KWH	4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	40000 0.0584 \$ 2,336.40			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
NEXT BLOCK BALANCE	27500		0.0000 \$ - 0.0553 \$ 1,520.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
TOTAL			\$ 2,720.53	TOTAL		\$ 3,270.30	\$ 549.78	20.2%

MONTHLY CONSUMPTION 500KW,150000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
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CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	500	1.6673	\$ 833.67
2ND BLOCK BALANCE	450	4.3700	\$ -		500	6.6284	\$ 3,314.20
		4.9700	\$ 2,236.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	150000	0.0584	\$ 8,761.50
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	137500	0.0000	\$ -				
		0.0553	\$ 7,603.75	TOTAL		\$ 13,013.70	\$ 2,222.17 20.6%
TOTAL			\$ 10,791.53				

CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS IMPACT
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	500	1.6673	\$ 833.67
2ND BLOCK BALANCE	450	4.3700	\$ -		500	6.6284	\$ 3,314.20
		4.9700	\$ 2,236.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	200000	0.0584	\$ 11,682.00
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	187500	0.0000	\$ -				
		0.0553	\$ 10,368.75	TOTAL		\$ 15,934.20	\$ 2,377.67 17.5%
TOTAL			\$ 13,566.53				

CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS IMPACT
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	500	1.6673	\$ 833.67
2ND BLOCK BALANCE	450	4.3700	\$ -		500	6.6284	\$ 3,314.20
		4.9700	\$ 2,236.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	250000	0.0584	\$ 14,602.50
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	237500	0.0000	\$ -				
		0.0553	\$ 13,133.75	TOTAL		\$ 18,854.70	\$ 2,533.17 15.5%
TOTAL			\$ 16,321.53				

CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS IMPACT
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	1000	1.6673	\$ 1,667.34
2ND BLOCK BALANCE	950	4.3700	\$ -		1000	6.6284	\$ 6,628.40
		4.9700	\$ 4,721.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	100000	0.0584	\$ 5,841.00
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	87500	0.0000	\$ -				
		0.0553	\$ 4,838.75	TOTAL		\$ 14,241.97	\$ 3,729.54 35.5%
TOTAL			\$ 10,511.53				

CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS IMPACT
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	1000	1.6673	\$ 1,667.34
2ND BLOCK BALANCE	950	4.3700	\$ -		1000	6.6284	\$ 6,628.40
		4.9700	\$ 4,721.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	200000	0.0584	\$ 11,682.00
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	247500	0.0000	\$ -				
		0.0553	\$ 15,858.75	TOTAL		\$ 20,082.07	\$ (1,489.46) -6.9%
TOTAL			\$ 21,571.53				

CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS IMPACT
SERVICE CHARGE							
1ST BLOCK 50 KW	50	0.0000	\$ -	COST OF POWER KW DISTRIBUTION KW	1000	1.6673	\$ 1,667.34
2ND BLOCK BALANCE	950	4.3700	\$ -		1000	6.6284	\$ 6,628.40
		4.9700	\$ 4,721.50				
		\$/KWH					
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85	COST OF POWER KWH	200000	0.0584	\$ 11,682.00
NEXT BLOCK 12250	12250	0.0753	\$ 922.43				
				MONTHLY DISTRIBUTION CHARGE			\$ 104.33
NEXT BLOCK BALANCE	247500	0.0000	\$ -				
		0.0553	\$ 15,858.75	TOTAL		\$ 20,082.07	\$ (1,489.46) -6.9%
TOTAL			\$ 21,571.53				

1ST BLOCK 50 KW	50	0.0000	\$ -
2ND BLOCK BALANCE	950	4.9700	\$ 4,721.50
\$/KWH			
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85
NEXT BLOCK 12250	12250	0.0753	\$ 922.43
NEXT BLOCK BALANCE	487500	0.0553	\$ 26,958.75
TOTAL			\$ 32,631.53

COST OF POWER KW DISTRIBUTION KW	1000	1.6673	\$ 1,667.34
	1000	6.6284	\$ 6,628.40
\$/KWH			
COST OF POWER KWH	500000	0.0584	\$ 29,205.00
MONTHLY DISTRIBUTION CHARGE			\$ 104.33
TOTAL		\$ 37,605.07	\$ 4,973.54 15.2%

GENERAL SERVICE >50 KW TIME OF USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE #REF!
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	#REF!	#REF!	#REF!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#REF!	
ENTER DESIRED CONSUMPTION LEVELS	SERVICE CHARGE		0.0000

KW	RATE \$/KW	CHARGE \$	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER FIRST 50 KW		0.0000 \$ -				
WINTER SECOND BLOCK		0.0000 \$ -				
WINTER BALANCE BLOCK		0.0000 \$ -				
\$/KWH						
WINTER PEAK FIRST BLOCK		0.0000 \$ -				
WINTER PEAK NEXT BLOCK		0.0000 \$ -				
WINTER PEAK NEXT BLOCK		0.0000 \$ -				
WINTER BALANCE BLOCK		0.0000 \$ -				
WINTER OFF PEAK ALL		0.0000 \$ -				
TOTAL		\$ -				

COST OF POWER						
WINTER PEAK	#DIV/0!	#DIV/0!				
WINTER PEAK WINTER OFF PEAK	#DIV/0!	#DIV/0!				
DISTRIBUTION KW	#REF!	#REF!				
MONTHLY SERVICE CHARGE		#REF!				
TOTAL		#DIV/0!			#DIV/0!	#DIV/0!

CURRENT BILL						
SERVICE CHARGE						
	KW	RATE \$/KW	CHARGE \$			
SUMMER FIRST 50 KW			0.0000 \$ -			
SUMMER SECOND BLOCK			0.0000 \$ -			
SUMMER BALANCE BLOCK			0.0000 \$ -			
\$/KWH						
SUMMER PEAK FIRST BLOCK			0.0000 \$ -			
SUMMER PEAK NEXT BLOCK			0.0000			
SUMMER PEAK NEXT BLOCK			0.0000 \$ -			
SUMMER BALANCE BLOCK			0.0000 \$ -			
SUMMER OFF PEAK ALL			0.0000 \$ -			
TOTAL			\$ -			

NEW BILL						
COST OF POWER						
SUMMER PEAK	#DIV/0!	#DIV/0!				
SUMMER PEAK	#DIV/0!	#DIV/0!				
SUMMER OFF-PEAK	#DIV/0!	#DIV/0!				
DISTRIBUTION KW	#REF!	#REF!				
MONTHLY SERVICE CHARGE		#REF!				
TOTAL		#DIV/0!			#DIV/0!	#DIV/0!

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE #REF!
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	#REF!	#REF!	#REF!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#REF!	

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK			0.0000 \$ -	COST OF POWER KW.				
			\$/KWH						
	WINTER PEAK			0.1154 \$ -	WINTER PEAK	#DIV/0!	#DIV/0!		
	WINTER OFF PEAK			0.0753 \$ -	DISTRIBUTION KW	#REF!	#REF!		
					COST OF POWER KWH				
					WINTER PEAK	#DIV/0!	#DIV/0!		
					WINTER OFF PEAK	#DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
	CURRENT BILL				NEW BILL				
	SUMMER PEAK			4.3700 \$ -	COST OF POWER KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
			\$/KWH						
	SUMMER PEAK			0.0000 \$ -	SUMMER PEAK	#DIV/0!	#DIV/0!		
	SUMMER OFF PEAK			0.0553 \$ -	DISTRIBUTION KW	#REF!	#REF!		
					COST OF POWER KWH				
					SUMMER PEAK	#DIV/0!	#DIV/0!		
					SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 3000 KW, 500,000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK	3000		0.0000 \$ -	COST OF POWER KW				
			\$/KWH						
	WINTER PEAK	250,000		0.1154 \$ 28,850.00	WINTER PEAK	3000 #DIV/0!	#DIV/0!		
	WINTER OFF PEAK	250,000		0.0753 \$ 18,825.00	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH				
					WINTER PEAK	250000 #DIV/0!	#DIV/0!		
					WINTER OFF PEAK	250000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$ 47,675.00	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SUMMER PEAK	3000		4.3700 \$ 13,110.00	COST OF POWER KW				
			\$/KWH						
	SUMMER PEAK	250,000		0.0000 \$ -	SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
	SUMMER OFF PEAK	250,000		0.0553 \$ 13,825.00	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH				
					SUMMER PEAK	250000 #DIV/0!	#DIV/0!		
					SUMMER OFF PEAK	250000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$ 26,935.00	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 3000 KW, 1MILL KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK	3000		0.0000 \$ -	COST OF POWER KW				
			\$/KWH						
	WINTER PEAK	500,000		0.1154 \$ 57,700.00	WINTER PEAK	3000 #DIV/0!	#DIV/0!		
	WINTER OFF PEAK	500,000		0.0753 \$ 37,650.00	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH				
					WINTER PEAK	500000 #DIV/0!	#DIV/0!		
					WINTER OFF PEAK	500000 #DIV/0!	#DIV/0!		

TOTAL				\$ 95,350.00	MONTHLY DISTRIBUTION CHARGE TOTAL				#REF! #DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
SUMMER PEAK	3000		4.3730 \$	13,110.00	COST OF POWER KW:						
		\$/KWH			SUMMER PEAK DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!			
SUMMER PEAK	500,000		0.0000 \$	-		3000	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK	500,000		0.0553 \$	27,650.00			\$/KWH				
					COST OF POWER KWH						
					SUMMER PEAK	500000	#DIV/0!	#DIV/0!			
					SUMMER OFF PEAK	500000	#DIV/0!	#DIV/0!			
TOTAL				\$ 40,760.00	MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!		#DIV/0!	#DIV/0!	
MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH					NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
CURRENT BILL	KW	RATE \$/KW	CHARGE \$								
WINTER PEAK	3000		0.0000 \$	-	COST OF POWER KW:						
		\$/KWH									
WINTER PEAK	750,000		0.1154 \$	86,550.00	WINTER PEAK	3000	#DIV/0!	#DIV/0!			
WINTER OFF PEAK	750,000		0.0753 \$	56,475.00							
					DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!			
					COST OF POWER KWH:						
					WINTER PEAK	750000	#DIV/0!	#DIV/0!			
					WINTER OFF PEAK	750000	#DIV/0!	#DIV/0!			
					MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!		#DIV/0!	#DIV/0!	
TOTAL				\$ 143,025.00							
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
SUMMER PEAK	3000		4.3700 \$	13,110.00	COST OF POWER KW:						
		\$/KWH			SUMMER PEAK DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!			
SUMMER PEAK	750,000		0.0000 \$	-		3000	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK	750,000		0.0553 \$	41,475.00			\$/KWH				
					COST OF POWER KWH						
					SUMMER PEAK	750000	#DIV/0!	#DIV/0!			
					SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!			
					MONTHLY DISTRIBUTION CHARGE TOTAL		#REF! #DIV/0!		#DIV/0!	#DIV/0!	
TOTAL				\$ 54,585.00							
LARGE USE											
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE #REF!								
(B) CHOSEN REVENUE SHARES	0.20	0.700									
(C) RE-ALLOCATED REVENUE (A)/(B)	#REF!	#REF!	#REF!								
(D) RETAIL KW	0										
(E) NUMBER OF CUSTOMERS			0								
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!										
(G) MONTHLY SERVICE CHARGE (C)/(E)*12		#REF!									
ENTER DESIRED CONSUMPTION LEVEL					NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
CURRENT BILL	KW	RATE \$/KW	CHARGE \$								
WINTER PEAK			0.0000 \$	-	COST OF POWER KW:						
SUMMER PEAK			0.0000 \$	-							
		\$/KWH			WINTER PEAK	#DIV/0!	#DIV/0!				
WINTER PEAK			0.0000 \$	-	SUMMER PEAK DISTRIBUTION KW	#DIV/0!	#DIV/0!				
WINTER OFF PEAK			0.0000 \$	-		#REF! \$/KWH	#REF!				
SUMMER PEAK			0.0000 \$	-	COST OF POWER KWH:						
SUMMER OFF PEAK			0.0000 \$	-	WINTER PEAK	#DIV/0!	#DIV/0!				
					WINTER OFF PEAK	#DIV/0!	#DIV/0!				

						SUMMER PEAK	#DIV/0!	#DIV/0!		
						SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
						MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$	-	TOTAL	#DIV/0!		#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 0.5 MILL.KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK		2490	0.0000	\$ -	COST OF POWER KW:				
	SUMMER PEAK		2510	0.0000	\$ -	WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION KW	5000	#REF!	#REF!	
						COST OF POWER KWH:				
	WINTER PEAK		\$/KWH 126725	0.0000	\$ -	WINTER PEAK	126725	#DIV/0!	#DIV/0!	
	WINTER OFF PEAK		125344	0.0000	\$ -	WINTER OFF PEAK	125344	#DIV/0!	#DIV/0!	
	SUMMER PEAK		125677	0.0000	\$ -	SUMMER PEAK	125677	#DIV/0!	#DIV/0!	
	SUMMER OFF PEAK		122254	0.0000	\$ -	SUMMER OFF PEAK	122254	#DIV/0!	#DIV/0!	
						MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 1 MILL.KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK		2490	0.0000	\$ -	COST OF POWER KW:				
	SUMMER PEAK		2510	0.0000	\$ -	WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION KW	5000	#REF!	#REF!	
						COST OF POWER KWH:				
	WINTER PEAK		\$/KWH 253450	0.0000	\$ -	WINTER PEAK	253450	#DIV/0!	#DIV/0!	
	WINTER OFF PEAK		250688	0.0000	\$ -	WINTER OFF PEAK	250688	#DIV/0!	#DIV/0!	
	SUMMER PEAK		251354	0.0000	\$ -	SUMMER PEAK	251354	#DIV/0!	#DIV/0!	
	SUMMER OFF PEAK		244508	0.0000	\$ -	SUMMER OFF PEAK	244508	#DIV/0!	#DIV/0!	
						MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 1.5 MILL.KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	WINTER PEAK		2490	0.0000	\$ -	COST OF POWER KW:				
	SUMMER PEAK		2510	0.0000	\$ -	WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION KW	5000	#REF!	#REF!	
						COST OF POWER KWH:				
	WINTER PEAK		\$/KWH 380175	0.0000	\$ -	WINTER PEAK	380175	#DIV/0!	#DIV/0!	
	WINTER OFF PEAK		376032	0.0000	\$ -	WINTER OFF PEAK	376032	#DIV/0!	#DIV/0!	
	SUMMER PEAK		377031	0.0000	\$ -	SUMMER PEAK	377031	#DIV/0!	#DIV/0!	
	SUMMER OFF PEAK		366762	0.0000	\$ -	SUMMER OFF PEAK	366762	#DIV/0!	#DIV/0!	
						MONTHLY DISTRIBUTION CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
SENTINEL LIGHTS (NON TIME OF USE)										
	VARIABLE REVENUE		SERVICE CHARGE	TOTAL REVENUE						
(A) DISTRIBUTION REVENUE			\$	22,962.85						
(B) CHOSEN REVENUE SHARES	0.20		0.798							
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,633.07	\$	10,329.79	\$	22,962.85					
(D) RETAIL KW	2,480									
(E) NUMBER OF CONNECTIONS			848							

(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.8882		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013	

SENTINEL LIGHTS (TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	22,962.86
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,633.07	\$ 18,329.79	\$ 22,962.86
(D) RETAIL KW	2,480		
(E) NUMBER OF CONNECTIONS		048	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.8582		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8013	

STREET LIGHTING (NON TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,426.36	\$ 41,257.71	\$ 51,686.07
(D) RETAIL KW	6,995		
(E) NUMBER OF CONNECTIONS		2900	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856	

STREET LIGHTING (TIME OF USE)

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20	0.798	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,426.36	\$ 41,257.71	\$ 51,686.07
(D) RETAIL KW	6,995		
(E) NUMBER OF CONNECTIONS		2900	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$1.4908		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.1856	

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Canadian Niagara Power Inc.
 ED-7999-0160
 13-Dec-01
 5
 Timothy B. Dufres
 (905) 894-3632

RATE IMPACT FOR MARR AFTER MARKET OPENING (i.e. INCLUDES TAXES) AND WITH TEMPORARY COST OF POWER INCREASE

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES

THE LEVELS CHOSEN FOR THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUES FOR MARR BEFORE MARKET OPENING AND AFTER MARKET OPENING MUST BE THE SAME AS THE FINAL ONES CHOSEN FOR UNBUNDLED RATES. THIS IS DONE AUTOMATICALLY.

RESIDENTIAL

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$ 3,518,922.17
(B) CHOSEN REVENUE SHARES	0.21	0.790	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 738,973.86	\$ 2,779,948.31	\$ 3,518,922.17
(D) RETAIL KWH	104,276.229		
(E) NUMBER OF CUSTOMERS		13042	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0071		
(G) MONTHLY SERVICE CHARGE (C)/(E)*2		\$17.7628	

RESIDENTIAL CLASS

NON-TIME OF USE	CURRENT BILL			NEW BILL			IMPACT DOLLARS	IMPACT
ENTER DESIRED CONSUMPTION LEVEL	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	0.0603	\$ -		
	FIRST 250 KWH		0.1119 \$ -	MONTHLY DISTRIBUTION CHARGE		\$17.76		
	BALANCE	0.0694	\$ -	DISTRIBUTION KWH	0.0071	\$ -	\$ 17.76	#DIV/0!
	TOTAL		\$ -	TOTAL		\$ 17.76		
MONTHLY CONSUMPTION OF 250 KWH	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -	COST OF POWER	250 0.0551	\$ 13.78		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 17.76		
	BALANCE	0	0.0694 \$ -	DISTRIBUTION KWH	250 0.0071	\$ 1.77	\$ 5.33	19.1%
	TOTAL		\$ 27.98	TOTAL		\$ 33.31		
MONTHLY CONSUMPTION OF 500 KWH	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -	COST OF POWER	500 0.0551	\$ 27.55		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 17.76		
	BALANCE	250	0.0694 \$ 17.35	DISTRIBUTION KWH	500 0.0071	\$ 3.54	\$ 3.53	7.8%
	TOTAL		\$ 45.33	TOTAL		\$ 48.85		
MONTHLY CONSUMPTION OF 750 KWH	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -	COST OF POWER	750 0.0551	\$ 41.33		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 17.76		
	BALANCE	500	0.0694 \$ 34.70	DISTRIBUTION KWH	750 0.0071	\$ 5.32	\$ 1.73	2.8%
	TOTAL		\$ 62.68	TOTAL		\$ 64.40		
MONTHLY CONSUMPTION OF 1000 KWH	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -	COST OF POWER	1000 0.0551	\$ 55.10		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 17.76		
	BALANCE	750	0.0694 \$ 52.05	DISTRIBUTION KWH	1000 0.0071	\$ 7.09	\$ (0.08)	-0.1%
	TOTAL		\$ 80.03	TOTAL		\$ 79.95		
MONTHLY CONSUMPTION OF 1500 KWH	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE		\$ -	COST OF POWER	1500 0.0551	\$ 82.65		
	FIRST 250 KWH	250	0.1119 \$ 27.98	MONTHLY DISTRIBUTION CHARGE		\$ 17.76		
	BALANCE	1250	0.0694 \$ 86.75	DISTRIBUTION KWH	1500 0.0071	\$ 10.63	\$ (3.68)	-3.2%
	TOTAL		\$ 114.73	TOTAL		\$ 111.04		
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT

MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE				\$	-	COST OF POWER				2000	0.0551	\$	110.20				
	FIRST 250 KWH				250	0.1119	\$	27.98	MONTHLY DISTRIBUTION CHARGE					\$	17.76			
	BALANCE				1750	0.0894	\$	121.45	DISTRIBUTION KWH				2000	0.0071	\$	14.17		
	TOTAL						\$	149.43	TOTAL					\$	142.14	\$	(7.29)	-4.9%

	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 20000 KWH	SERVICE CHARGE		\$	-	COST OF POWER	20000	0.0554	\$	1,102.00	
	FIRST 250 KWH	3000	0.1119	\$	335.70	ANNUAL DISTRIBUTION CHARGE		\$	213.15	
	BALANCE TOTAL	17000	0.0694	\$	1,179.80	DISTRIBUTION KWH	20000	0.0071	\$	141.73
				\$	1,515.50	TOTAL		\$	1,456.89	\$ (58.61) -3.9%

	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH	SERVICE CHARGE		\$	-	COST OF POWER	30000	0.0551	\$	1,653.00	
	FIRST 250 KWH	3000	0.1119	\$	335.70	ANNUAL DISTRIBUTION CHARGE		\$	213.15	
	BALANCE TOTAL	27000	0.0694	\$	1,873.80	DISTRIBUTION KWH	30000	0.0071	\$	212.60
				\$	2,209.50	TOTAL		\$	2,078.75	\$ (130.75) -5.9%

GENERAL SERVICE <50 KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$ 989,760.08
(B) CHOSEN REVENUE SHARES	0.77	0.230	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 762,115.26	\$ 227,644.82	\$ 989,760.08
(D) RETAIL KWH	37,119,403		
(E) NUMBER OF CUSTOMERS		1224	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0205		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$15.4987	

MONTHLY CONSUMPTION 10 KW,250 KWH	CURRENT BILL			NEW BILL			IMPACT		
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE								
	1ST BLOCK 50 KW		0.0000 \$ -						
	2ND BLOCK BALANCE		4.9700 \$ -						
		\$/KWH							
	1ST BLOCK 250 KWH	250	0.1154 \$ 28.85						
	NEXT BLOCK 12250		0.0753 \$ -						
	NEXT BLOCK		\$ -						
	BALANCE		0.0553 \$ -						
TOTAL		\$ 28.85							

MONTHLY CONSUMPTION 10 KW,500 KWH	CURRENT BILL				NEW BILL				IMPACT		
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		DOLLARS	IMPACT		
	SERVICE CHARGE		\$	-							
	1ST BLOCK 50 KW		0.0000	\$	-	DISTRIBUTION KWH					
	2ND BLOCK BALANCE		4.9700	\$	-		\$	-			
		\$/KWH				\$/KWH					
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	500	0.0551	\$	27.55	
	NEXT BLOCK 12250	250	0.0753	\$	18.83						
	NEXT BLOCK			\$	-	MONTHLY DISTRIBUTION CHARGE			\$15.4987		
	BALANCE		0.0553	\$	-	DISTRIBUTION KWH	500	0.0205	\$	10.27	
TOTAL			\$	47.68	TOTAL		\$	53.31	\$	5.64	11.8%

MONTHLY CONSUMPTION 10 KW,1000 KWH	CURRENT BILL				NEW BILL									
	KW	RATE \$/KW	CHARGE \$			RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT				
	SERVICE CHARGE		\$	-										
	1ST BLOCK 50 KW		0.0000	\$	-									
	2ND BLOCK BALANCE		4.9700	\$	-	DISTRIBUTION KWH		\$	-					
		\$/KWH					\$/KWH							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85	COST OF POWER KWH	1000	0.0551	\$	55.10				
	NEXT BLOCK 12250	750	0.0753	\$	56.48									
	NEXT BLOCK			\$	-	MONTHLY DISTRIBUTION CHARGE			\$15.4987					
	BALANCE		0.0553	\$	-	DISTRIBUTION KWH	1000	0.0205	\$	20.53				

	TOTAL			\$	85.33		TOTAL		\$	91.13	\$	5.81	6.8%
MONTHLY CONSUMPTION 10 KW,2000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$			NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-								
	1ST BLOCK 50 KW	10	0.0000	\$	-		DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	\$/KWH	4.9700	\$	-							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85		COST OF POWER KWH	2000	0.0551	\$	110.20		
	NEXT BLOCK 12250	1750	0.0753	\$	131.78								
	NEXT BLOCK			0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH	2000	0.0205	\$	41.06		
	BALANCE			0.0553	\$	-							
	TOTAL			\$	160.63		TOTAL		\$	166.76	\$	6.14	3.8%
MONTHLY CONSUMPTION 10 KW,3000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$			NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	0.06								
	1ST BLOCK 50 KW	10	0.0000	\$	-		DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	\$/KWH	4.9700	\$	-							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85		COST OF POWER KWH	3000	0.0551	\$	165.30		
	NEXT BLOCK 12250	2750	0.0753	\$	207.08								
	NEXT BLOCK			0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH	3000	0.0205	\$	61.60		
	BALANCE			0.0553	\$	-							
	TOTAL			\$	235.93		TOTAL		\$	242.39	\$	6.47	2.7%
MONTHLY CONSUMPTION 10 KW,4000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$			NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-								
	1ST BLOCK 50 KW	10	0.0000	\$	-		DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	\$/KWH	4.9700	\$	-							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85		COST OF POWER KWH	4000	0.0551	\$	220.40		
	NEXT BLOCK 12250	2750	0.0753	\$	282.38								
	NEXT BLOCK			0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH	4000	0.0205	\$	82.13		
	BALANCE			0.0553	\$	-							
	TOTAL			\$	311.23		TOTAL		\$	318.03	\$	6.80	2.2%
MONTHLY CONSUMPTION 10 KW,5000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$			NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-								
	1ST BLOCK 50 KW	10	0.0000	\$	-		DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	\$/KWH	4.9700	\$	-							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85		COST OF POWER KWH	5000	0.0551	\$	275.50		
	NEXT BLOCK 12250	4750	0.0753	\$	357.68								
	NEXT BLOCK			0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH	5000	0.0205	\$	102.66		
	BALANCE			0.0553	\$	-							
	TOTAL			\$	386.53		TOTAL		\$	393.66	\$	7.13	1.8%
MONTHLY CONSUMPTION 50 KW, 6000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$			NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT	
	SERVICE CHARGE			\$	-								
	1ST BLOCK 50 KW	50	0.0000	\$	-		DISTRIBUTION KW		\$	-			
	2ND BLOCK BALANCE	0	\$/KWH	4.9700	\$	-							
	1ST BLOCK 250 KWH	250	0.1154	\$	28.85		COST OF POWER KWH	6000	0.0551	\$	330.60		
	NEXT BLOCK 12250	5750	0.0753	\$	432.98								
	NEXT BLOCK			0.0000	\$	-	MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH	6000	0.0205	\$	123.19		
	BALANCE			0.0553	\$	-							

TOTAL	\$	461.83	TOTAL	\$	469.29	\$	7.47	1.6%
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GENERAL SERVICE NON TIME OF USE >50KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE			\$ 2,254,353.99
(B) CHOSEN REVENUE SHARES	0.94	0.065	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 2,107,878.17	\$ 148,475.82	\$ 2,254,353.99
(D) RETAIL KW	318,007		
(E) NUMBER OF CUSTOMERS		117	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$6.6284		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$104.3275	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	0.0300 \$ -			
2ND BLOCK BALANCE			4.3700 \$ - 4.9700 \$ -		6.6284 \$ -			
		\$/KWH			\$/KWH			
1ST BLOCK 250 KWH			0.1154 \$ -	COST OF POWER KWH	0.0551 \$ -		\$ -	#DIV/0!
NEXT BLOCK 12250			0.0753 \$ -					
				MONTHLY DISTRIBUTION CHARGE		\$104.3275		
NEXT BLOCK BALANCE			4.3700 \$ - 0.0553 \$ -					
TOTAL			\$ -	TOTAL		\$ 104.33	\$ 104.33	#DIV/0!

MONTHLY CONSUMPTION 100KW,20000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50		4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
		\$/KWH			\$/KWH			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	20000 0.0532 \$ 1,064.00			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
				MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
NEXT BLOCK BALANCE	7500		0.0000 \$ - 0.0553 \$ 414.75					
TOTAL			\$ 1,614.53	TOTAL		\$ 1,997.90	\$ 383.38	23.7%

MONTHLY CONSUMPTION 100KW,30000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50		4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
		\$/KWH			\$/KWH			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	30000 0.0532 \$ 1,596.00			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
				MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
NEXT BLOCK BALANCE	17500		0.0000 \$ - 0.0553 \$ 967.75					
TOTAL			\$ 2,167.53	TOTAL		\$ 2,529.90	\$ 362.38	16.7%

MONTHLY CONSUMPTION 100KW,40000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE			#REF!					
1ST BLOCK 50 KW	50		0.0000 \$ -	COST OF POWER KW DISTRIBUTION KW	100 1.6673 \$ 166.73			
2ND BLOCK BALANCE	50		4.3700 \$ - 4.9700 \$ 248.50		100 6.6284 \$ 662.84			
		\$/KWH			\$/KWH			
1ST BLOCK 250 KWH	250		0.1154 \$ 28.85	COST OF POWER KWH	40000 0.0532 \$ 2,128.00			
NEXT BLOCK 12250	12250		0.0753 \$ 922.43					
				MONTHLY DISTRIBUTION CHARGE		\$ 104.33		
NEXT BLOCK BALANCE	27500		0.0000 \$ - 0.0553 \$ 1,520.75					
TOTAL			\$ 2,720.53	TOTAL		\$ 3,061.90	\$ 341.36	12.5%

MONTHLY CONSUMPTION 500KW,150000KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
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MONTHLY CONSUMPTION 500KW,200000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	500 1.6673 \$	833.67	
	2ND BLOCK BALANCE	450	4.3700 \$ 4.9700 \$	- 2,236.50		500 6.6284 \$	3,314.20	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	150000 0.0532 \$	7,980.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	137500	0.0000 \$ 0.0553 \$	- 7,603.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 10,791.53	TOTAL	\$ 12,232.20	\$ 1,446.57	13.4%
MONTHLY CONSUMPTION 500KW,250000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	500 1.6673 \$	833.67	
	2ND BLOCK BALANCE	450	4.3700 \$ 4.9700 \$	- 2,236.50		500 6.6284 \$	3,314.20	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	200000 0.0532 \$	10,640.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	107500	0.0000 \$ 0.0553 \$	- 10,368.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 13,556.53	TOTAL	\$ 14,892.20	\$ 1,335.67	9.9%
MONTHLY CONSUMPTION 500KW,250000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	500 1.6673 \$	833.67	
	2ND BLOCK BALANCE	450	4.3700 \$ 4.9700 \$	- 2,236.50		500 6.6284 \$	3,314.20	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	250000 0.0532 \$	13,300.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	237500	0.0000 \$ 0.0553 \$	- 13,133.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 16,321.53	TOTAL	\$ 17,552.20	\$ 1,230.67	7.5%
MONTHLY CONSUMPTION 1000KW,100000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	1000 1.6673 \$	1,667.34	
	2ND BLOCK BALANCE	950	4.3700 \$ 4.9700 \$	- 4,721.50		1000 6.6284 \$	6,628.40	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	100000 0.0532 \$	5,320.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	87500	0.0000 \$ 0.0553 \$	- 4,838.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 10,511.53	TOTAL	\$ 13,720.07	\$ 3,208.54	30.5%
MONTHLY CONSUMPTION 1000 KW,300000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	1000 1.6673 \$	1,667.34	
	2ND BLOCK BALANCE	950	4.3700 \$ 4.9700 \$	- 4,721.50		1000 6.6284 \$	6,628.40	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	200000 0.0532 \$	10,640.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	207500	0.0000 \$ 0.0553 \$	- 15,898.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 21,571.53	TOTAL	\$ 19,040.07	\$ (2,531.46)	-11.7%
MONTHLY CONSUMPTION 1000KW,500000KWH	CURRENT BILL				NEW BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE				SERVICE CHARGE			
	#REF!				#REF!			
	1ST BLOCK 50 KW	50	0.0000 \$	-	COST OF POWER KW DISTRIBUTION KW	1000 1.6673 \$	1,667.34	
	2ND BLOCK BALANCE	950	4.3700 \$ 4.9700 \$	- 4,721.50		1000 6.6284 \$	6,628.40	
	\$/KWH				\$/KWH			
	1ST BLOCK 250 KWH	250	0.1154 \$	28.85	COST OF POWER KWH	200000 0.0532 \$	10,640.00	
	NEXT BLOCK 12250	12250	0.0753 \$	922.43				
	NEXT BLOCK BALANCE	207500	0.0000 \$ 0.0553 \$	- 15,898.75	MONTHLY DISTRIBUTION CHARGE		\$ 104.33	
TOTAL				\$ 21,571.53	TOTAL	\$ 19,040.07	\$ (2,531.46)	-11.7%

1ST BLOCK 50 KW	50	0.0000	\$ -
2ND BLOCK BALANCE	950	4.3700	\$ -
		4.9700	\$ 4,721.50
			\$/KWH
1ST BLOCK 250 KWH	250	0.1154	\$ 28.85
NEXT BLOCK 12250	12250	0.0753	\$ 922.43
NEXT BLOCK BALANCE	487500	0.0000	\$ -
		0.0553	\$ 26,958.75
TOTAL			\$ 32,631.53

COST OF POWER KW	1000	1.6673	\$ 1,667.34
DISTRIBUTION KW	1000	6.6284	\$ 6,628.40
			\$/KWH
COST OF POWER KWH	500000	0.0532	\$ 26,600.00
MONTHLY DISTRIBUTION CHARGE			\$ 104.33
TOTAL			\$ 35,000.07
			\$ 2,368.54 7.3%

GENERAL SERVICE >50 KW TIME OF USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.20	0.798	#REF!
(C) RE-ALLOCATED REVENUE (A)*(B)	#REF!	#REF!	#REF!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#REF!	
ENTER DESIRED CONSUMPTION LEVELS	SERVICE CHARGE		0.0000

KW	RATE \$/KW	CHARGE \$	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER FIRST 50 KW		0.0000 \$ -				
WINTER SECOND BLOCK		0.0000 \$ -				
WINTER BALANCE BLOCK		0.0000 \$ -				
WINTER PEAK FIRST BLOCK		0.0000 \$ -				
WINTER PEAK NEXT BLOCK		0.0000 \$ -				
WINTER PEAK NEXT BLOCK		0.0000 \$ -				
WINTER BALANCE BLOCK		0.0000 \$ -				
WINTER OFF PEAK ALL		0.0000 \$ -				
TOTAL		\$ -				
CURRENT BILL						
SERVICE CHARGE						
SUMMER FIRST 50 KW		0.0000 \$ -				
SUMMER SECOND BLOCK		0.0000 \$ -				
SUMMER BALANCE BLOCK		0.0000 \$ -				
SUMMER PEAK FIRST BLOCK		0.0000 \$ -				
SUMMER PEAK NEXT BLOCK		0.0000				
SUMMER PEAK NEXT BLOCK		0.0000 \$ -				
SUMMER BALANCE BLOCK		0.0000 \$ -				
SUMMER OFF PEAK ALL		0.0000 \$ -				
TOTAL		\$ -				

COST OF POWER						
WINTER PEAK	#DIV/0!	#DIV/0!				
WINTER PEAK WINTER OFF PEAK	\$/KWH #DIV/0!	#DIV/0!				
DISTRIBUTION KW	#DIV/0!	#DIV/0!				
MONTHLY SERVICE CHARGE	#REF!	#REF!				
		#REF!				
TOTAL		#DIV/0!			#DIV/0!	#DIV/0!
NEW BILL						
COST OF POWER						
SUMMER PEAK	#DIV/0!	#DIV/0!				
SUMMER PEAK	\$/KWH #DIV/0!	#DIV/0!				
SUMMER OFF PEAK	#DIV/0!	#DIV/0!				
DISTRIBUTION KW	#REF!	#REF!				
MONTHLY SERVICE CHARGE		#REF!				
TOTAL		#DIV/0!			#DIV/0!	#DIV/0!

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.20	0.798	#REF!
(C) RE-ALLOCATED REVENUE (A)*(B)	#REF!	#REF!	#REF!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#REF!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#REF!	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK			0.0000 \$ -	COST OF POWER KW				
		\$/KWH		WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER PEAK			0.1154 \$ -	DISTRIBUTION KW	#REF!	#REF!		
WINTER OFF PEAK			0.0753 \$ -	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK	#DIV/0! #DIV/0!	#DIV/0! #DIV/0!		
				MONTHLY DISTRIBUTION CHARGE		#REF! #DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ -	TOTAL				

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK			4.3700 \$ -	COST OF POWER KW				
		\$/KWH		SUMMER PEAK DISTRIBUTION KW	#DIV/0! #REF! \$/KWH	#DIV/0! #REF!		
SUMMER PEAK			0.0000 \$ -	COST OF POWER KWH:				
SUMMER OFF PEAK			0.0553 \$ -	SUMMER PEAK SUMMER OFF PEAK	#DIV/0! #DIV/0!	#DIV/0! #DIV/0!		
				MONTHLY DISTRIBUTION CHARGE		#REF! #DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ -	TOTAL				

MONTHLY CONSUMPTION 3000 KW, 500,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000 \$ -	COST OF POWER KW:				
		\$/KWH		WINTER PEAK	3000 #DIV/0!	#DIV/0!		
WINTER PEAK	250,000		0.1154 \$ 28,850.00	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	250,000		0.0753 \$ 18,825.00	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK	250000 #DIV/0! 250000 #DIV/0!	#DIV/0! #DIV/0!		
				MONTHLY DISTRIBUTION CHARGE		#REF! #DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ 47,675.00	TOTAL				

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000		4.3700 \$ 13,110.00	COST OF POWER KW:				
		\$/KWH		SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
SUMMER PEAK	250,000		0.0000 \$ -	DISTRIBUTION I	3000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	250,000		0.0553 \$ 13,825.00	COST OF POWER KWH:				
				SUMMER PEAK SUMMER OFF PEAK	250000 #DIV/0! 250000 #DIV/0!	#DIV/0! #DIV/0!		
				MONTHLY DISTRIBUTION CHARGE		#REF! #DIV/0!	#DIV/0!	#DIV/0!
TOTAL			\$ 26,935.00	TOTAL				

MONTHLY CONSUMPTION 3000 KW, 1MILL KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000 \$ -	COST OF POWER KW				
		\$/KWH		WINTER PEAK	3000 #DIV/0!	#DIV/0!		
WINTER PEAK	500,000		0.1154 \$ 57,700.00	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	500,000		0.0753 \$ 37,650.00	COST OF POWER KWH: WINTER PEAK WINTER OFF PEAK	500000 #DIV/0! 500000 #DIV/0!	#DIV/0! #DIV/0!		

				MONTHLY DISTRIBUTION CHARGE TOTAL		#REF!	#DIV/0!	#DIV/0!				
TOTAL				\$	95,350.00							
CURRENT BILL				KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK				3000	4.3700	\$ 13,110.00	COST OF POWER KW					
					\$/KWH		SUMMER PEAK DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
SUMMER PEAK				500,000	0.0000	\$ -			3000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK				500,000	0.0553	\$ 27,650.00						
							COST OF POWER KWH					
							SUMMER PEAK	500000	#DIV/0!	#DIV/0!		
							SUMMER OFF PEAK	500000	#DIV/0!	#DIV/0!		
							MONTHLY DISTRIBUTION CHARGE TOTAL		#REF!	#DIV/0!	#DIV/0!	
TOTAL						\$ 40,760.00						
MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH				KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK				3000	0.0000	\$ -	COST OF POWER KW					
					\$/KWH		WINTER PEAK	3000	#DIV/0!	#DIV/0!		
WINTER PEAK				750,000	0.1154	\$ 86,550.00	DISTRIBUTION KW		3000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK				750,000	0.0753	\$ 56,475.00	COST OF POWER KWH					
							WINTER PEAK	750000	#DIV/0!	#DIV/0!		
							WINTER OFF PEAK	750000	#DIV/0!	#DIV/0!		
							MONTHLY DISTRIBUTION CHARGE TOTAL	#REF!	#DIV/0!	#DIV/0!	#DIV/0!	
TOTAL						\$ 143,025.00						
CURRENT BILL				KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK				3000	4.3700	\$ 13,110.00	COST OF POWER KW					
					\$/KWH		SUMMER PEAK DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
SUMMER PEAK				750,000	0.0000	\$ -			3000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK				750,000	0.0553	\$ 41,475.00	COST OF POWER KWH					
							SUMMER PEAK	750000	#DIV/0!	#DIV/0!		
							SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!		
							MONTHLY DISTRIBUTION CHARGE TOTAL	#REF!	#DIV/0!	#DIV/0!	#DIV/0!	
TOTAL						\$ 54,585.00						
LARGE USE				VARIBLE REVENUE	SERVICE CHARGE	TOTAL REVENUE						
(A) DISTRIBUTION REVENUE						#REF!						
(B) CHOSEN REVENUE SHARES				0.20	0.700							
(C) RE-ALLOCATED REVENUE (A)*(B)				#REF!	#REF!	#REF!						
(D) RETAIL KW				0								
(E) NUMBER OF CUSTOMERS					0							
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)				#REF!								
(G) MONTHLY SERVICE CHARGE (C)/(E)*2					#REF!							
ENTER DESIRED CONSUMPTION LEVEL				KW	RATE \$/KW	CHARGE \$	NEW BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK					0.0000	\$ -	COST OF POWER KW					
SUMMER PEAK					0.0000	\$ -	WINTER PEAK		#DIV/0!	#DIV/0!		
							SUMMER PEAK DISTRIBUTION KW	#DIV/0!	#DIV/0!			
					\$/KWH			#REF!	#REF!			
WINTER PEAK					0.0000	\$ -	COST OF POWER KWH					
WINTER OFF PEAK					0.0000	\$ -	WINTER PEAK		#DIV/0!	#DIV/0!		
SUMMER PEAK					0.0000	\$ -	WINTER OFF PEAK		#DIV/0!	#DIV/0!		
SUMMER OFF PEAK					0.0000	\$ -						

						SUMMER PEAK	#DIV/0!	#DIV/0!		
						SUMMER OFF				
						PEAK	#DIV/0!	#DIV/0!		
						MONTHLY				
						DISTRIBUTION				
						CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 0.5 MILL.KWH	CURRENT BILL	KW	RATE	CHARGE		NEW BILL	RATE	CHARGE	IMPACT	IMPACT
			\$/KW	\$			\$/KW	\$	DOLLARS	
	WINTER PEAK		2490	0.0000	\$ -	COST OF				
	SUMMER PEAK		2510	0.0000	\$ -	POWER KW:				
						WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION	5000	#REF!	#REF!	
						KW				
			\$/KWH			COST OF				
	WINTER PEAK	126725		0.0000	\$ -	POWER KWH				
	WINTER OFF					WINTER PEAK	126725	#DIV/0!	#DIV/0!	
	PEAK	125344		0.0000	\$ -	WINTER OFF	125344	#DIV/0!	#DIV/0!	
	SUMMER PEAK	125677		0.0000	\$ -	PEAK				
	SUMMER OFF	122254		0.0000	\$ -	SUMMER PEAK	125677	#DIV/0!	#DIV/0!	
	PEAK					SUMMER OFF	122254	#DIV/0!	#DIV/0!	
						MONTHLY				
						DISTRIBUTION				
						CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 1 MILL.KWH	CURRENT BILL	KW	RATE	CHARGE		NEW BILL	RATE	CHARGE	IMPACT	IMPACT
			\$/KW	\$			\$/KW	\$	DOLLARS	
	WINTER PEAK		2490	0.0000	\$ -	COST OF				
	SUMMER PEAK		2510	0.0000	\$ -	POWER KW:				
						WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION	5000	#REF!	#REF!	
						KW				
			\$/KWH			COST OF				
	WINTER PEAK	253450		0.0000	\$ -	POWER KWH				
	WINTER OFF					WINTER PEAK	253450	#DIV/0!	#DIV/0!	
	PEAK	250688		0.0000	\$ -	WINTER OFF	250688	#DIV/0!	#DIV/0!	
	SUMMER PEAK	251354		0.0000	\$ -	PEAK				
	SUMMER OFF	244508		0.0000	\$ -	SUMMER PEAK	251354	#DIV/0!	#DIV/0!	
	PEAK					SUMMER OFF	244508	#DIV/0!	#DIV/0!	
						MONTHLY				
						DISTRIBUTION				
						CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000KW, 1.5 MILL.KWH	CURRENT BILL	KW	RATE	CHARGE		NEW BILL	RATE	CHARGE	IMPACT	IMPACT
			\$/KW	\$			\$/KW	\$	DOLLARS	
	WINTER PEAK		2490	0.0000	\$ -	COST OF				
	SUMMER PEAK		2510	0.0000	\$ -	POWER KW:				
						WINTER PEAK	2490	#DIV/0!	#DIV/0!	
						SUMMER PEAK	2510	#DIV/0!	#DIV/0!	
						DISTRIBUTION	5000	#REF!	#REF!	
						KW				
			\$/KWH			COST OF				
	WINTER PEAK	380175		0.0000	\$ -	POWER KWH				
	WINTER OFF					WINTER PEAK	380175	#DIV/0!	#DIV/0!	
	PEAK	376132		0.0000	\$ -	WINTER OFF	375032	#DIV/0!	#DIV/0!	
	SUMMER PEAK	377031		0.0000	\$ -	PEAK				
	SUMMER OFF	366762		0.0000	\$ -	SUMMER PEAK	377031	#DIV/0!	#DIV/0!	
	PEAK					SUMMER OFF	366762	#DIV/0!	#DIV/0!	
						MONTHLY				
						DISTRIBUTION				
						CHARGE		#REF!		
	TOTAL			\$	-	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!
SENTINEL LIGHTS (NON TIME OF USE)	VARIABLE	SERVICE	TOTAL	REVENUE						
	REVENUE	CHARGE								
(A) DISTRIBUTION REVENUE		\$	22,962.86							
(B) CHOSEN REVENUE SHARES	0.20	0.798								
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4.633 (7)	\$ 18,329.79	\$	22,962.86						
(D) RETAIL KW	2,480									
(E) NUMBER OF CONNECTIONS		848								

(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.8682			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$1.8013	
SENTINEL LIGHTS (TIME OF USE)					
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE		SERVICE CHARGE	TOTAL REVENUE	
			\$	\$	22,962.86
(B) CHOSEN REVENUE SHARES	0.20		0.798		
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 4,633.07	\$	18,329.79	\$	22,962.86
(D) RETAIL KW	7,480				
(E) NUMBER OF CONNECTIONS			343		
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.8682			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$1.8013	
STREET LIGHTING (NON TIME OF USE)					
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE		SERVICE CHARGE	TOTAL REVENUE	
			\$	\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20		0.798		
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,428.36	\$	41,257.71	\$	51,686.07
(D) RETAIL KW	6,995				
(E) NUMBER OF CONNECTIONS			2900		
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.4908			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$1.1856	
STREET LIGHTING (TIME OF USE)					
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE		SERVICE CHARGE	TOTAL REVENUE	
			\$	\$	51,686.07
(B) CHOSEN REVENUE SHARES	0.20		0.798		
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 10,428.36	\$	41,257.71	\$	51,686.07
(D) RETAIL KW	6,995				
(E) NUMBER OF CONNECTIONS			2900		
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$1.4908			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$1.1856	

SHEET 15 - RATE SCHEDULE BEFORE MARKET ADJUSTED RATE OF RETURN

RATE SCHEDULE

DATE:

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Canadian Niagara Power Inc.
ED-1999-0160
13-Dec-01
5
Timothy B. Curtis
(905) 994-3632

EFFECTIVE DATE:

DEFINITIONS: TIME PERIODS FOR TIME OF USE (EASTERN
STANDARD TIME)

WINTER: ALL HOURS, OCTOBER 1 THROUGH MARCH 31
SUMMER: ALL HOURS, APRIL 1 THROUGH SEPTEMBER 30

PEAK: 0700 TO 2300 HOURS (LOCAL TIME) MONDAY TO FRIDAY, EXCEPT
FOR PUBLIC HOLIDAYS, INCLUDING NEW YEAR'S DAY, GOOD FRIDAY,
VICTORIA DAY, CANADA DAY, CIVIC HOLIDAY (AS IN TORONTO), LABOUR
DAY, THANKSGIVING DAY, CHRISTMAS AND BOXING DAY
OFF-PEAK: ALL OTHER HOURS

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0065
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$16.17
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0187
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$14.1130
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.0358
MONTHLY SERVICE CHARGE	\$95.0000
COST OF POWER KW RATE	\$1.6673
COST OF POWER KWH RATE	\$0.0495

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.7011
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.6402
COST OF POWER KW RATE	\$16.5444

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.3575
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.0796
COST OF POWER KW RATE	\$10.7043

MISCELLANEOUS CHARGES

PLEASE ADD ANY MISCELLANEOUS CHARGES BELOW.

1999	2000
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SHEET 16 - RATE SCHEDULE WITH MARKET ADJUSTED RATE OF RETURN

RATE SCHEDULE

DATE:

**NAME OF UTILITY
LICENCE NUMBER**

Canadian Niagara Power Inc.
ED-1999-0160

DATE

13-Dec-01

VERSION NUMBER

5

NAME OF CONTACT

Timothy B. Curtis

PHONE NUMBER

(905) 994-3632

EFFECTIVE DATE:

**DEFINITIONS: TIME PERIODS FOR TIME OF USE (EASTERN
STANDARD TIME)**

WINTER: ALL HOURS, OCTOBER 1 THROUGH MARCH 31
SUMMER: ALL HOURS, APRIL 1 THROUGH SEPTEMBER 30

PEAK: 0700 TO 2300 HOURS (LOCAL TIME) MONDAY TO FRIDAY, EXCEPT
FOR PUBLIC HOLIDAYS, INCLUDING NEW YEAR'S DAY, GOOD FRIDAY,
VICTORIA DAY, CANADA DAY, CIVIC HOLIDAY (AS IN TORONTO), LABOUR
DAY, THANKSGIVING DAY, CHRISTMAS AND BOXING DAY
OFF-PEAK: ALL OTHER HOURS

RESIDENTIAL

AFTER TAX
RECOVERY

DISTRIBUTION KWH RATE	\$0.0071
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.76
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE < 50 KW

AFTER TAX
RECOVERY

DISTRIBUTION KWH RATE	\$0.0205
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$15.50
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE > 50 KW (NON TIME OF USE)

AFTER TAX
RECOVERY

DISTRIBUTION KW RATE	\$6.6284
MONTHLY SERVICE CHARGE	\$104.33
COST OF POWER KW RATE	\$1.6673
COST OF POWER KWH RATE	\$0.0495

SENTINEL LIGHTS (NON TIME OF USE)

AFTER TAX
RECOVERY

DISTRIBUTION KW RATE	\$1.8682
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.80
COST OF POWER KW RATE	\$16.5444

STREET LIGHTING (NON TIME OF USE)

AFTER TAX
RECOVERY

DISTRIBUTION KW RATE	\$1.4908
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.19
COST OF POWER KW RATE	\$18.3043

MISCELLANEOUS CHARGES

PLEASE ADD ANY MISCELLANEOUS CHARGES BELOW:

2000

2002 APPROVED PILS MODEL

SHEET 1 - 2001 OEB Approved Rate Schedule

NAME OF UTILITY
NAME OF CONTACT
Mail Address

Canadian Niagara Power Inc.
Timothy B. Curtis
tim.curtis@cnpower.com

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

VERSION NUMBER
Date

1
25-Jan-02

with OEB PILS Revisions

Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0071
MONTHLY SERVICE CHARGE (Per Customer)	\$17.76
COST OF POWER KWH RATE	\$0.0535

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0205
MONTHLY SERVICE CHARGE (Per Customer)	\$15.50
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.6284
MONTHLY SERVICE CHARGE (Per Customer)	\$104.33
COST OF POWER KW RATE	\$1.6673
COST OF POWER KWH RATE	\$0.0495

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.8682

MONTHLY SERVICE CHARGE (Per Connection) \$1.80

COST OF POWER KW RATE \$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.4908

MONTHLY SERVICE CHARGE (Per Connection) \$1.19

COST OF POWER KW RATE \$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.

Please enter these charges exactly as they are entered in your current approved rate schedule.

Please add your specific charges as necessary.

New Account Setup	\$	-
Change of Occupancy	\$	15.00
Account History		
Administration Fee	\$	10.00
Current Year Data	\$	-
Each Additional Year Data	\$	-
Archived Record	\$	20.00/hr.
Arrear's Certificate	\$	10.00
Late Payment		5.00%
Returned Cheque	\$	15.00
Collection of Account Charge	\$	15.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	25.00
At Meter - After Hours	\$	150.00
Disconnect/Reconnect Charges (non payment of account)		
At Pole - During Regular Hours	\$	45.00
At Pole - After Hours	\$	300.00
Temporary Pole Service	\$	-
After Hours High Voltage Station Outage	\$	-
Residential Service 2nd Visit to Connect New Service	\$	-
Residential Service After Hours Visit to Connect New Service	\$	-
Diversity Adjustment Credit (per KW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY Canadian Niagara Power Inc.
NAME OF CONTACT Timothy B. Curtis
E-Mail Address tim.curtis@cnpower.com
VERSION NUMBER 1

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

Date 25-Jan-02

Enter the IPI for 2001 when released by the Board in January.

IPI	PF	Adjustment Factor
0.4%	-1.5%	-1.1%

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

or
98.90%
of current rates.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.007022
MONTHLY SERVICE CHARGE (Per Customer) \$17.5646
COST OF POWER KWH RATE \$0.0535

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.020275
MONTHLY SERVICE CHARGE (Per Customer) \$15.3295
COST OF POWER KWH RATE \$0.05350

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$6.555488
MONTHLY SERVICE CHARGE (Per Customer) \$103.1824
COST OF POWER KW RATE \$1.6673
COST OF POWER KWH RATE \$0.0495

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$0.000000

MONTHLY SERVICE CHARGE (Per Customer) \$0.0000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE \$0.000000

MONTHLY SERVICE CHARGE (Per Customer) \$0.0000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE \$0.000000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.847650

MONTHLY SERVICE CHARGE (Per Connection) \$1.7802

COST OF POWER KW RATE \$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.4744

MONTHLY SERVICE CHARGE (Per Connection) \$1.1769

COST OF POWER KW RATE \$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SHEET 3 - Calculating Rate Increases using 1999 LDC Data and adding 2002 Incremental MARR

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Mail Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR. **If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.**

Enter the permanent revenue adjustment amount here: \$ 55,847.00 Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. \$ 611,330.00

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) \$

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) \$

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates. The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-	104,276,229	13,042	\$3,204,309.41	51.46%	\$ 28,740.90
GENERAL SERVICE <50 KW CLASS	-	37,118,403	1,224	\$901,269.59	14.48%	\$ 8,083.90
GENERAL SERVICE >50 KW NON TIME OF USE	318,007	-	117	\$2,052,801.21	32.97%	\$ 18,412.50
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	0	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	0	\$0.00	0.00%	\$ -
STREET LIGHTS	2,480	-	848	\$20,909.84	0.34%	\$ 187.55
STREET LIGHTING CLASS	6,995	-	2,900	\$47,065.02	0.76%	\$ 422.15
TOTALS				\$6,226,355.07	1.00	\$ 55,847.00
				Allocated Total for 2002 including adjustments at Cell 313 ==>		\$ 55,847.00

Residential Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.210	0.790	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	\$ 6,035.59	\$ 22,705.31	\$ 28,740.90
(B) RETAIL KWH	104,276,229		
(C) NUMBER OF CUSTOMERS		13,042	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000058		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.1451	

General Service <50kW Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.770	0.230	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	\$ 6,224.60	\$ 1,859.30	\$ 8,083.90
(B) RETAIL KWH	37,118,403		
(C) NUMBER OF CUSTOMERS		1,224	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000168		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.1266	

General Service >50kW Class Non TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.935	0.065	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	\$ 17,215.69	\$ 1,196.81	\$ 18,412.50
(B) RETAIL KW	318,007		
(C) NUMBER OF CUSTOMERS		117	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.054136		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.8524	

General Service >50kW Class TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Intermediate Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE 100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Large User Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE 100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Sentinel Lighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE 100%
OCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	\$ 37.89	\$ 149.66	\$ 187.55
(B) RETAIL KW	2,480		
(C) NUMBER OF CUSTOMERS (Connections)		848	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.015276
 (this amount is added to the kW rate shown on Sheet 2 and
 the total new rate appears on the Rate Schedule on Sheet 4)

ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0147
 (this amount is added to the Service Charge shown on Sheet 2 and
 the total new Service Charge appears on the Rate Schedule on Sheet 4)

Streetlighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.202	0.798	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	\$ 85.27	\$ 336.87	\$ 422.15
(B) RETAIL KW	6,995		
(C) NUMBER OF CUSTOMERS		2,900	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.012191		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.0097	

SHEET 4 - 2002 Base Rate Schedule including 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Email Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0071
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71
COST OF POWER KWH RATE	\$0.0535

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0001			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.15			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0204
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46
COST OF POWER KWH RATE	\$0.0535

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0002			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.13			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.6096
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03
COST OF POWER KW RATE	\$1.6673
COST OF POWER KWH RATE	\$0.0495

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.8629
MONTHLY SERVICE CHARGE (Per Connection)	\$1.79
COST OF POWER KW RATE	\$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0153	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.01	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.4866
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19
COST OF POWER KW RATE	\$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0122
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MONTHLY SERVICE CHARGE (Per Connection)	\$0.01
------------------------------------------------	---------------

C	OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
		\$/KW	\$/KW
		\$0.0000	\$0.0000

SHEET 5 - Bill Impact Analysis for 2002 Rate Schedule including IPI-PF & 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
E-Mail Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
	37281		

This schedule shows the bill impacts using the 2002 Base Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Base Rate Schedule (including IPI-PF & 1/3 Incremental MARR)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	\$ 17.71		
DISTRIBUTION KWH	100	0.0071	\$ 0.71		DISTRIBUTION KWH	100	0.00708	\$ 0.71	
COST OF POWER KWH	100	0.0535	\$ 5.35		COST OF POWER KWH	100	0.0535	\$ 5.35	
CURRENT 2001 BILL			\$ 23.82	Adjusted 2002 BILL			\$ 23.77	\$ (0.05)	-0.2%
MONTHLY CONSUMPTION OF 250 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	\$ 17.71		
DISTRIBUTION KWH	250	0.0071	\$ 1.78		DISTRIBUTION KWH	250	0.00708	\$ 1.77	
COST OF POWER KWH	250	0.0535	\$ 13.38		COST OF POWER KWH	250	0.0535	\$ 13.38	
CURRENT 2001 BILL			\$ 32.91	Adjusted 2002 BILL			\$ 32.85	\$ (0.06)	-0.2%
MONTHLY CONSUMPTION OF 500 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	\$ 17.71		
DISTRIBUTION KWH	500	0.0071	\$ 3.55		DISTRIBUTION KWH	500	0.00708	\$ 3.54	
COST OF POWER KWH	500	0.0535	\$ 26.75		COST OF POWER KWH	500	0.0535	\$ 26.75	
CURRENT 2001 BILL			\$ 48.06	Adjusted 2002 BILL			\$ 48.00	\$ (0.06)	-0.1%
MONTHLY CONSUMPTION OF 750 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	\$ 17.71		
DISTRIBUTION KWH	750	0.0071	\$ 5.33		DISTRIBUTION KWH	750	0.00708	\$ 5.31	
COST OF POWER KWH	750	0.0535	\$ 40.13		COST OF POWER KWH	750	0.0535	\$ 40.13	
CURRENT 2001 BILL			\$ 63.21	Adjusted 2002 BILL			\$ 63.14	\$ (0.07)	-0.1%
MONTHLY CONSUMPTION OF 1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	\$ 17.71		
DISTRIBUTION KWH	1000	0.0071	\$ 7.10		DISTRIBUTION KWH	1000	0.00708	\$ 7.08	
COST OF POWER KWH	1000	0.0535	\$ 53.50		COST OF POWER KWH	1000	0.0535	\$ 53.50	
CURRENT 2001 BILL			\$ 78.36	Adjusted 2002 BILL			\$ 78.29	\$ (0.07)	-0.1%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.76	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.71
	1500	0.0071	\$	10.85		1500	0.00708	\$	10.62
COST OF POWER KWH	1500	0.0535	\$	80.25	COST OF POWER KWH	1500	0.0535	\$	80.25
CURRENT 2001 BILL			\$	108.66	Adjusted 2002 BILL		\$	108.58	\$ (0.08) -0.1%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.76	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.71
	2000	0.0071	\$	14.20		2000	0.00708	\$	14.15
COST OF POWER KWH	2000	0.0535	\$	107.00	COST OF POWER KWH	2000	0.0535	\$	107.00
CURRENT 2001 BILL			\$	138.96	Adjusted 2002 BILL		\$	138.87	\$ (0.09) -0.1%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)				
ENTER DESIRED CONSUMPTION LEVEL									
1000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.46
	1000	0.0205	\$	20.50		1000	0.02044	\$	20.44
COST OF POWER KWH	1000	0.0535	\$	53.50	COST OF POWER KWH	1000	0.0535	\$	53.50
CURRENT 2001 BILL			\$	89.50	Adjusted 2002 BILL		\$	89.40	\$ (0.10) -0.1%

MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.46
	2000	0.0205	\$	41.00		2000	0.02044	\$	40.88
COST OF POWER KWH	2000	0.0535	\$	107.00	COST OF POWER KWH	2000	0.0535	\$	107.00
CURRENT 2001 BILL			\$	163.50	Adjusted 2002 BILL		\$	163.34	\$ (0.16) -0.1%

MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.46
	5000	0.0205	\$	102.50		5000	0.02044	\$	102.21
COST OF POWER KWH	5000	0.0535	\$	267.50	COST OF POWER KWH	5000	0.0535	\$	267.50
CURRENT 2001 BILL			\$	385.50	Adjusted 2002 BILL		\$	385.17	\$ (0.33) -0.1%

MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	15.46
	10000	0.0205	\$	205.00		10000	0.02044	\$	204.42
COST OF POWER KWH	10000	0.0535	\$	535.00	COST OF POWER KWH	10000	0.0535	\$	535.00
CURRENT 2001 BILL			\$	755.50	Adjusted 2002 BILL		\$	754.88	\$ (0.62) -0.1%

MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
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MONTHLY SERVICE CHARGE n/a n/a \$ 15.50
 DISTRIBUTION KWH 20000 0.0205 \$ 410.00
 COST OF POWER KWH 20000 0.0535 \$ 1,070.00
 CURRENT 2001 BILL \$ 1,495.50

MONTHLY SERVICE CHARGE n/a n/a \$ 15.46
 DISTRIBUTION KWH 20000 0.02044 \$ 408.84
 COST OF POWER KWH 20000 0.0535 \$ 1,070.00
 Adjusted 2002 BILL \$ 1,494.30 \$ (1.20) -0.1%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL 2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)
 ENTER DESIRED CONSUMPTION LEVEL

MONTHLY SERVICE CHARGE n/a n/a \$ 104.33
 DISTRIBUTION KW 0 6.6284 \$ -
 COST OF POWER KW 0 1.6673 \$ -
 COST OF POWER KWH 0 0.0495 \$ -
 CURRENT 2001 BILL \$ 104.33

MONTHLY SERVICE CHARGE n/a n/a \$ 104.03
 DISTRIBUTION KW 0 6.60962 \$ -
 COST OF POWER KW 0 1.6673 \$ -
 COST OF POWER KWH 0 0.0495 \$ -
 Adjusted 2002 BILL \$ 104.03 \$ (0.30) -0.3%

MONTHLY CONSUMPTION
 100kW, 30,000kWh

MONTHLY SERVICE CHARGE n/a n/a \$ 104.33
 DISTRIBUTION KW 100 6.6284 \$ 662.84
 COST OF POWER KW 100 1.6673 \$ 166.73
 COST OF POWER KWH 30,000 0.0495 \$ 1,485.00
 CURRENT 2001 BILL \$ 2,418.90

MONTHLY SERVICE CHARGE n/a n/a \$ 104.03
 DISTRIBUTION KW 100 6.60962 \$ 660.96
 COST OF POWER KW 100 1.6673 \$ 166.73
 COST OF POWER KWH 30,000 0.0495 \$ 1,485.00
 Adjusted 2002 BILL \$ 2,416.73 \$ (2.17) -0.1%

MONTHLY CONSUMPTION
 100kW, 40,000kWh

MONTHLY SERVICE CHARGE n/a n/a \$ 104.33
 DISTRIBUTION KW 100 6.6284 \$ 662.84
 COST OF POWER KW 100 1.6673 \$ 166.73
 COST OF POWER KWH 40,000 0.0495 \$ 1,980.00
 CURRENT 2001 BILL \$ 2,913.90

MONTHLY SERVICE CHARGE n/a n/a \$ 104.03
 DISTRIBUTION KW 100 6.60962 \$ 660.96
 COST OF POWER KW 100 1.6673 \$ 166.73
 COST OF POWER KWH 40,000 0.0495 \$ 1,980.00
 Adjusted 2002 BILL \$ 2,911.73 \$ (2.17) -0.1%

MONTHLY CONSUMPTION
 500kW, 100,000kWh

MONTHLY SERVICE CHARGE n/a n/a \$ 104.33
 DISTRIBUTION KW 500 6.6284 \$ 3,314.20
 COST OF POWER KW 500 1.6673 \$ 833.65
 COST OF POWER KWH ##### 0.0495 \$ 4,950.00
 CURRENT 2001 BILL \$ 9,202.18

MONTHLY SERVICE CHARGE n/a n/a \$ 104.03
 DISTRIBUTION KW 500 6.60962 \$ 3,304.81
 COST OF POWER KW 500 1.6673 \$ 833.65
 COST OF POWER KWH 100,000 0.0495 \$ 4,950.00
 Adjusted 2002 BILL \$ 9,192.50 \$ (9.68) -0.1%

MONTHLY CONSUMPTION
 500kW, 250,000kWh

MONTHLY SERVICE CHARGE n/a n/a \$ 104.33
 DISTRIBUTION KW 500 6.6284 \$ 3,314.20
 COST OF POWER KW 500 1.6673 \$ 833.65
 COST OF POWER KWH ##### 0.0495 \$ 12,375.00
 CURRENT 2001 BILL \$ 16,627.18

MONTHLY SERVICE CHARGE n/a n/a \$ 104.03
 DISTRIBUTION KW 500 6.60962 \$ 3,304.81
 COST OF POWER KW 500 1.6673 \$ 833.65
 COST OF POWER KWH 250,000 0.0495 \$ 12,375.00
 Adjusted 2002 BILL \$ 16,617.50 \$ (9.68) -0.1%

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	1000	6.6284	\$ 6,628.40		DISTRIBUTION KW	1000	6.60962	\$ 6,609.62	
COST OF POWER KW	1000	1.6673	\$ 1,667.30		COST OF POWER KW	1000	1.6673	\$ 1,667.30	
COST OF POWER KWH	#####	0.0495	\$ 19,800.00		COST OF POWER KWH	400,000	0.0495	\$ 19,800.00	
CURRENT 2001 BILL			\$ 28,200.03	Adjusted 2002 BILL			\$ 28,180.95	\$ (19.07)	-0.1%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	1000	6.6284	\$ 6,628.40		DISTRIBUTION KW	1000	6.60962	\$ 6,609.62	
COST OF POWER KW	1000	1.6673	\$ 1,667.30		COST OF POWER KW	1000	1.6673	\$ 1,667.30	
COST OF POWER KWH	#####	0.0495	\$ 24,750.00		COST OF POWER KWH	500,000	0.0495	\$ 24,750.00	
CURRENT 2001 BILL			\$ 33,150.03	Adjusted 2002 BILL			\$ 33,130.96	\$ (19.07)	-0.1%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	3000	6.6284	\$ 19,885.20		DISTRIBUTION KW	3000	6.60962	\$ 19,828.87	
COST OF POWER KW	3000	1.6673	\$ 5,001.90		COST OF POWER KW	3000	1.6673	\$ 5,001.90	
COST OF POWER KWH	#####	0.0495	\$ 49,500.00		COST OF POWER KWH	#####	0.0495	\$ 49,500.00	
CURRENT 2001 BILL			\$ 74,491.43	Adjusted 2002 BILL			\$ 74,434.81	\$ (56.62)	-0.1%

MONTHLY CONSUMPTION
W, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	3000	6.6284	\$ 19,885.20		DISTRIBUTION KW	3000	6.60962	\$ 19,828.87	
COST OF POWER KW	3000	1.6673	\$ 5,001.90		COST OF POWER KW	3000	1.6673	\$ 5,001.90	
COST OF POWER KWH	#####	0.0495	\$ 74,250.00		COST OF POWER KWH	#####	0.0495	\$ 74,250.00	
CURRENT 2001 BILL			\$ 99,241.43	Adjusted 2002 BILL			\$ 99,184.81	\$ (56.62)	-0.1%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	4000	6.6284	\$ 26,513.60		DISTRIBUTION KW	4000	6.60962	\$ 26,438.50	
COST OF POWER KW	4000	1.6673	\$ 6,669.20		COST OF POWER KW	4000	1.6673	\$ 6,669.20	
COST OF POWER KWH	#####	0.0495	\$ 59,400.00		COST OF POWER KWH	#####	0.0495	\$ 59,400.00	
CURRENT 2001 BILL			\$ 92,687.13	Adjusted 2002 BILL			\$ 92,611.73	\$ (75.40)	-0.1%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 104.03	
DISTRIBUTION KW	4000	6.6284	\$ 26,513.60		DISTRIBUTION KW	4000	6.60962	\$ 26,438.50	
COST OF POWER KW	4000	1.6673	\$ 6,669.20		COST OF POWER KW	4000	1.6673	\$ 6,669.20	
COST OF POWER KWH	#####	0.0495	\$ 89,100.00		COST OF POWER KWH	#####	0.0495	\$ 89,100.00	
CURRENT 2001 BILL			\$ 122,387.13	Adjusted 2002 BILL			\$ 122,311.73	\$ (75.40)	-0.1%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
WINTER PEAK	20,000	0.0000	\$ -	
WINTER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
SUMMER PEAK	20,000	0.0000	\$ -	
SUMMER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

DESIRED CONSUMPTION LEVELS

4kW, 1,200,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
WINTER PEAK	600,000	0.0000	\$ -	
WINTER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
WINTER PEAK	600,000	0.0000	\$ -		
WINTER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
SUMMER PEAK	600,000	0.0000	\$ -	
SUMMER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
SUMMER PEAK	600,000	0.0000	\$ -		
SUMMER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS
 8000kW, 3,000,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
COST OF POWER kWh		RATE \$/kWh		
WINTER PEAK	#####	0.0000	\$ -	
WINTER OFF PEAK	#####	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER kWh		RATE \$/kWh			
WINTER PEAK	#####	0.0000	\$ -		
WINTER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
COST OF POWER kWh		RATE \$/kWh		
SUMMER PEAK	#####	0.0000	\$ -	
SUMMER OFF PEAK	#####	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER kWh		RATE \$/kWh			
SUMMER PEAK	#####	0.0000	\$ -		
SUMMER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2001 PILs Deferral Account. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2001 PILs Deferral Account. \$ -

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs deferral amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	103,660,762	13,352	\$3,447,400.23	55.78%	\$ -
GENERAL SERVICE <50 KW CLASS	-	50,337,652	1,397	\$884,849.62	14.32%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	328,032	122,218,000	110	\$1,786,274.25	28.90%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	0	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	0	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	2,495	-	853	\$19,699.52	0.32%	\$ -
STREET LIGHTING CLASS	6,877	-	2,851	\$42,195.21	0.68%	\$ -
TOTALS				\$6,180,418.83	1.00	\$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.210	0.790	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	103,660,762		
(C) NUMBER OF CUSTOMERS		13,352	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.0000	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.770	0.230	100%
LOCATED 2001 PILs Estimate (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	50,337,652		
(C) NUMBER OF CUSTOMERS		1,397	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.935	0.065	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	\$ -	\$ -	\$ -
RETAIL KW	328,032		
NUMBER OF CUSTOMERS		110	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.0000	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED TOTAL 2001 PILs Estimate REVENUE 100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED TOTAL 2001 PILs Estimate REVENUE 100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	ALLOCATED TOTAL 2001 PILs Estimate REVENUE 100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	2,495		
(C) NUMBER OF CUSTOMERS		853	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.000000
 (this amount is added to the kW rate shown on Sheet 4 and
 the total new rate appears on the Rate Schedule on Sheet 7)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0000
 (this amount is added to the Service Charge shown on Sheet 4 and
 the total new Service Charge appears on the Rate Schedule on Sheet 7)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.202	0.798	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	6,877		
(C) NUMBER OF CUSTOMERS (Connections)		2,851	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.0000	

SHEET 7 - 2002 Rate Schedule including 2001PILs Deferral Account Estimate Adder

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Email Address	tim.curtis@cnpower.com		
ACCOUNT NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00708
MONTHLY SERVICE CHARGE (Per Customer)	\$17.70972
COST OF POWER KWH RATE	\$0.05350

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00006			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.14508			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02044
MONTHLY SERVICE CHARGE (Per Customer)	\$15.45609
COST OF POWER KWH RATE	\$0.053500

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00017			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.12659			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.60962
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03480
COST OF POWER KW RATE	\$1.667300
COST OF POWER KWH RATE	\$0.049500

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.86293
MONTHLY SERVICE CHARGE (Per Connection)	\$1.79491
COST OF POWER KW RATE	\$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.01528	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.01471	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.48659
MONTHLY SERVICE CHARGE (Per Connection)	\$1.18659
COST OF POWER KW RATE	\$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.01219	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00968	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY
NAME OF CONTACT
Mail Address
PHONE NUMBER
Date

Canadian Niagara Power Inc.
Timothy B. Curtis
tim.curtis@cnpower.com
1
25-Jan-02

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

This schedule allows LDCs to input the calculated value for the 2002 PILs Proxy Estimate. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2002 PILs Proxy

\$ (122,747.00)

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	103,660,762	13,352	\$3,447,400.23	55.78%	\$ (68,467.53)
GENERAL SERVICE <50 KW CLASS	-	50,337,652	1,397	\$884,849.62	14.32%	\$ (17,573.67)
GENERAL SERVICE >50 KW NON TIME OF USE	328,032	-	110	\$1,786,274.25	28.90%	\$ (35,476.53)
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
CENTINEL LIGHTS	2,495	-	853	\$19,699.52	0.32%	\$ (391.24)
STREET LIGHTING CLASS	6,877	-	2,851	\$42,195.21	0.68%	\$ (838.02)
TOTALS				\$6,180,418.83	1.00	(122,747.00)
						\$ (122,747.00)

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.210	0.790	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	\$ (14,378.18)	\$ (54,089.35)	\$ (68,467.53)
(B) RETAIL KWH	103,660,762		
(C) NUMBER OF CUSTOMERS		13,352	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	(\$0.000139)		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		(\$0.3376)	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.770	0.230	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	\$ (13,531.73)	\$ (4,041.94)	\$ (17,573.67)
(B) RETAIL KWH	50,337,652		
(C) NUMBER OF CUSTOMERS		1,397	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	(\$0.000269)		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		(\$0.2411)	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.935	0.065	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	\$ (33,170.55)	\$ (2,305.97)	\$ (35,476.53)
RETAIL KW	328,032		
(C) NUMBER OF CUSTOMERS		110	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	(\$0.101120)		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		(\$1.7470)	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED TOTAL 2002 PILs Estimate REVENUE 100%
(A) ALLOCATED 2002 PILs (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED TOTAL 2002 PILs Estimate REVENUE 100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	ALLOCATED TOTAL 2002 PILs Estimate REVENUE 100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	\$ (79.03)	\$ (312.21)	\$ (391.24)
(B) RETAIL KW		2,495	
(C) NUMBER OF CUSTOMERS		853	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (\$0.031676)
 (this amount is added to the kW rate shown on Sheet 7 and
 the total new rate appears on the Rate Schedule on Sheet 9)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (\$0.0305)
 (this amount is added to the Service Charge shown on Sheet 7 and
 the total new Service Charge appears on the Rate Schedule on Sheet 9)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.202	0.798	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	\$ (169.28)	\$ (668.74)	\$ (838.02)
(B) RETAIL KW	6,877		
(C) NUMBER OF CUSTOMERS (Connections)		2,851	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	(\$0.024615)		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		(\$0.0195)	

SHEET 9 - 2002 Rate Schedule including 2001 and 2002 PILs Estimate Adders

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
E-mail Address	tim.curtis@cnpower.com		
ACCOUNT NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transition costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00694
MONTHLY SERVICE CHARGE (Per Customer)	\$17.37213
COST OF POWER KWH RATE	\$0.05350

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.00008			
MONTHLY SERVICE CHARGE (Per Customer)	-\$0.19251			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02017
MONTHLY SERVICE CHARGE (Per Customer)	\$15.21498
COST OF POWER KWH RATE	\$0.053500

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.00010			
MONTHLY SERVICE CHARGE (Per Customer)	-\$0.11452			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.50850
MONTHLY SERVICE CHARGE (Per Customer)	\$102.28785
COST OF POWER KW RATE	\$1.667300
COST OF POWER KWH RATE	\$0.049500

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.83125
MONTHLY SERVICE CHARGE (Per Connection)	\$1.76441
COST OF POWER KW RATE	\$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.01640	
MONTHLY SERVICE CHARGE (Per Connection)	-\$0.01579	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.46198
MONTHLY SERVICE CHARGE (Per Connection)	\$1.16704
COST OF POWER KW RATE	\$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.01242	
MONTHLY SERVICE CHARGE (Per Connection)	-\$0.00987	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 10 - Bill Impact Analysis for 2002 Rate Schedule after 2001 and 2002 PILs Adjustments

NAME OF UTILITY Canadian Niagara Power Inc. LICENCE NUMBER ED-1999-0160
NAME OF CONTACT Timothy B. Curtis PHONE NUMBER (905) 994-3632
E-Mail Address tim.curtis@cnpower.com
VERSION NUMBER 1
25-Jan-02

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate and the 2002 PILs estimate.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVEL

100 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.37		
DISTRIBUTION KWH	100	0.0071	\$ 0.71	DISTRIBUTION KWH	100	0.00694	\$ 0.69		
COST OF POWER KWH	100	0.0535	\$ 5.35	COST OF POWER KWH	100	0.0535	\$ 5.35		
CURRENT 2001 BILL			\$ 23.82	Adjusted 2002 BILL			\$ 23.42	\$ (0.40)	-1.7%

MONTHLY CONSUMPTION OF
250 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.37		
DISTRIBUTION KWH	250	0.0071	\$ 1.78	DISTRIBUTION KWH	250	0.00694	\$ 1.74		
COST OF POWER KWH	250	0.0535	\$ 13.38	COST OF POWER KWH	250	0.0535	\$ 13.38		
CURRENT 2001 BILL			\$ 32.91	Adjusted 2002 BILL			\$ 32.48	\$ (0.43)	-1.3%

MONTHLY CONSUMPTION OF
500 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.37		
DISTRIBUTION KWH	500	0.0071	\$ 3.55	DISTRIBUTION KWH	500	0.00694	\$ 3.47		
COST OF POWER KWH	500	0.0535	\$ 26.75	COST OF POWER KWH	500	0.0535	\$ 26.75		
CURRENT 2001 BILL			\$ 48.06	Adjusted 2002 BILL			\$ 47.59	\$ (0.47)	-1.0%

MONTHLY CONSUMPTION OF
750 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.37		
DISTRIBUTION KWH	750	0.0071	\$ 5.33	DISTRIBUTION KWH	750	0.00694	\$ 5.21		
COST OF POWER KWH	750	0.0535	\$ 40.13	COST OF POWER KWH	750	0.0535	\$ 40.13		
CURRENT 2001 BILL			\$ 63.21	Adjusted 2002 BILL			\$ 62.70	\$ (0.51)	-0.8%

MONTHLY CONSUMPTION OF
1000 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.37		
DISTRIBUTION KWH	1000	0.0071	\$ 7.10	DISTRIBUTION KWH	1000	0.00694	\$ 6.94		
COST OF POWER KWH	1000	0.0535	\$ 53.50	COST OF POWER KWH	1000	0.0535	\$ 53.50		
CURRENT 2001 BILL			\$ 78.36	Adjusted 2002 BILL			\$ 77.87	\$ (0.55)	-0.7%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76		n/a	n/a	\$ 17.37		
	1500	0.0071	\$ 10.65		1500	0.00694	\$ 10.41		
COST OF POWER KWH	1500	0.0535	\$ 80.25		1500	0.0535	\$ 80.25		
CURRENT 2001 BILL			\$ 108.66	Adjusted 2002 BILL			\$ 108.03	\$ (0.63)	-0.6%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76		n/a	n/a	\$ 17.37		
	2000	0.0071	\$ 14.20		2000	0.00694	\$ 13.88		
COST OF POWER KWH	2000	0.0535	\$ 107.00		2000	0.0535	\$ 107.00		
CURRENT 2001 BILL			\$ 138.96	Adjusted 2002 BILL			\$ 138.25	\$ (0.71)	-0.5%

GENERAL SERVICE < 50 KW

**ENTER DESIRED CONSUMPTION LEVEL
1000 kWh**

CURRENT 2001 BILL

2002 BILL (IP+PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 15.50		n/a	n/a	\$ 15.21		
	1000	0.0205	\$ 20.50		1000	0.02017	\$ 20.17		
COST OF POWER KWH	1000	0.0535	\$ 53.50		1000	0.0535	\$ 53.50		
CURRENT 2001 BILL			\$ 89.50	Adjusted 2002 BILL			\$ 88.89	\$ (0.61)	-0.7%

**MONTHLY CONSUMPTION
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 15.50		n/a	n/a	\$ 15.21		
	2000	0.0205	\$ 41.00		2000	0.02017	\$ 40.35		
COST OF POWER KWH	2000	0.0535	\$ 107.00		2000	0.0535	\$ 107.00		
CURRENT 2001 BILL			\$ 163.50	Adjusted 2002 BILL			\$ 162.56	\$ (0.94)	-0.6%

**MONTHLY CONSUMPTION
5000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 15.50		n/a	n/a	\$ 15.21		
	5000	0.0205	\$ 102.50		5000	0.02017	\$ 100.87		
COST OF POWER KWH	5000	0.0535	\$ 267.50		5000	0.0535	\$ 267.50		
CURRENT 2001 BILL			\$ 385.50	Adjusted 2002 BILL			\$ 383.58	\$ (1.92)	-0.5%

**MONTHLY CONSUMPTION
10,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 15.50		n/a	n/a	\$ 15.21		
	10000	0.0205	\$ 205.00		10000	0.02017	\$ 201.73		
COST OF POWER KWH	10000	0.0535	\$ 535.00		10000	0.0535	\$ 535.00		
CURRENT 2001 BILL			\$ 755.50	Adjusted 2002 BILL			\$ 751.95	\$ (3.55)	-0.5%

**MONTHLY CONSUMPTION
20,000 kWh**

KWH (enter)	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
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MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.21
DISTRIBUTION KWH	20000	0.0205	\$	410.00	DISTRIBUTION KWH	20000	0.02017	\$	403.47
COST OF POWER KWH	20000	0.0535	\$	1,070.00	COST OF POWER KWH	20000	0.0535	\$	1,070.00
CURRENT 2001 BILL			\$	1,495.50	Adjusted 2002 BILL			\$	1,488.68
								\$	(6.82) -0.5%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	102.29	
KW	0	6.6284	\$	-	KW	0	6.50850	\$	-	
COST OF POWER KW	0	1.6673	\$	-	COST OF POWER KW	0	1.6673	\$	-	
COST OF POWER KWH	0	0.0495	\$	-	COST OF POWER KWH	0	0.0495	\$	-	
CURRENT 2001 BILL			\$	104.33	Adjusted 2002 BILL			\$	102.29	\$ (2.04) -2.0%
MONTHLY CONSUMPTION 100kW, 30,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	102.29	
KW	100	6.6284	\$	662.84	KW	100	6.50850	\$	650.85	
COST OF POWER KW	100	1.6673	\$	166.73	COST OF POWER KW	100	1.6673	\$	166.73	
COST OF POWER KWH	30,000	0.0495	\$	1,485.00	COST OF POWER KWH	30,000	0.0495	\$	1,485.00	
CURRENT 2001 BILL			\$	2,418.90	Adjusted 2002 BILL			\$	2,404.87	\$ (14.03) -0.6%
MONTHLY CONSUMPTION 100kW, 40,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	102.29	
KW	100	6.6284	\$	662.84	KW	100	6.50850	\$	650.85	
COST OF POWER KW	100	1.6673	\$	166.73	COST OF POWER KW	100	1.6673	\$	166.73	
COST OF POWER KWH	40,000	0.0495	\$	1,980.00	COST OF POWER KWH	40,000	0.0495	\$	1,980.00	
CURRENT 2001 BILL			\$	2,913.90	Adjusted 2002 BILL			\$	2,899.87	\$ (14.03) -0.5%
MONTHLY CONSUMPTION 500kW, 100,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	102.29	
KW	500	6.6284	\$	3,314.20	KW	500	6.50850	\$	3,254.25	
COST OF POWER KW	500	1.6673	\$	833.65	COST OF POWER KW	500	1.6673	\$	833.65	
COST OF POWER KWH	100,000	0.0495	\$	4,950.00	COST OF POWER KWH	100,000	0.0495	\$	4,950.00	
CURRENT 2001 BILL			\$	9,202.18	Adjusted 2002 BILL			\$	9,140.19	\$ (61.99) -0.7%
MONTHLY CONSUMPTION 500kW, 250,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	102.29	
KW	500	6.6284	\$	3,314.20	KW	500	6.50850	\$	3,254.25	
COST OF POWER KW	500	1.6673	\$	833.65	COST OF POWER KW	500	1.6673	\$	833.65	
COST OF POWER KWH	250,000	0.0495	\$	12,375.00	COST OF POWER KWH	250,000	0.0495	\$	12,375.00	
CURRENT 2001 BILL			\$	16,627.18	Adjusted 2002 BILL			\$	16,565.19	\$ (61.99) -0.4%

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	1000	6.6284	\$ 6,628.40
COST OF POWER KW	1000	1.6673	\$ 1,667.30
COST OF POWER KWH	400,000	0.0495	\$ 19,800.00
CURRENT 2001 BILL			\$ 28,200.03

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	1000	6.50850	\$ 6,508.50		
COST OF POWER KW	1000	1.6673	\$ 1,667.30		
COST OF POWER KWH	400,000	0.0495	\$ 19,800.00		
Adjusted 2002 BILL			\$ 28,078.09	\$ (121.94)	-0.4%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	1000	6.6284	\$ 6,628.40
COST OF POWER KW	1000	1.6673	\$ 1,667.30
COST OF POWER KWH	500,000	0.0495	\$ 24,750.00
CURRENT 2001 BILL			\$ 33,150.03

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	1000	6.50850	\$ 6,508.50		
COST OF POWER KW	1000	1.6673	\$ 1,667.30		
COST OF POWER KWH	500,000	0.0495	\$ 24,750.00		
Adjusted 2002 BILL			\$ 33,028.03	\$ (121.94)	-0.4%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	3000	6.6284	\$ 19,885.20
COST OF POWER KW	3000	1.6673	\$ 5,001.90
COST OF POWER KWH	1,000,000	0.0495	\$ 49,500.00
CURRENT 2001 BILL			\$ 74,491.43

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	3000	6.50850	\$ 19,525.51		
COST OF POWER KW	3000	1.6673	\$ 5,001.90		
COST OF POWER KWH	#####	0.0495	\$ 49,500.00		
Adjusted 2002 BILL			\$ 74,129.70	\$ (361.73)	-0.5%

MONTHLY CONSUMPTION
W, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	3000	6.6284	\$ 19,885.20
COST OF POWER KW	3000	1.6673	\$ 5,001.90
COST OF POWER KWH	1,500,000	0.0495	\$ 74,250.00
CURRENT 2001 BILL			\$ 99,241.43

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	3000	6.50850	\$ 19,525.51		
COST OF POWER KW	3000	1.6673	\$ 5,001.90		
COST OF POWER KWH	#####	0.0495	\$ 74,250.00		
Adjusted 2002 BILL			\$ 98,879.70	\$ (361.73)	-0.4%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	4000	6.6284	\$ 26,513.60
COST OF POWER KW	4000	1.6673	\$ 6,669.20
COST OF POWER KWH	1,200,000	0.0495	\$ 59,400.00
CURRENT 2001 BILL			\$ 92,687.13

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	4000	6.50850	\$ 26,034.02		
COST OF POWER KW	4000	1.6673	\$ 6,669.20		
COST OF POWER KWH	#####	0.0495	\$ 59,400.00		
Adjusted 2002 BILL			\$ 92,205.50	\$ (481.63)	-0.5%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33
KW	4000	6.6284	\$ 26,513.60
COST OF POWER KW	4000	1.6673	\$ 6,669.20
COST OF POWER KWH	1,800,000	0.0495	\$ 89,100.00
CURRENT 2001 BILL			\$ 122,387.13

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 102.29		
KW	4000	6.50850	\$ 26,034.02		
COST OF POWER KW	4000	1.6673	\$ 6,669.20		
COST OF POWER KWH	#####	0.0495	\$ 89,100.00		
Adjusted 2002 BILL			\$ 121,905.50	\$ (481.63)	-0.4%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER	kWh	\$/kWh		
WINTER PEAK	20,000	0.0000	\$ -	
WINTER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER	kWh	\$/kWh			
WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	20,000	0.0000	\$ -	
SUMMER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER	kWh	\$/kWh			
SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0000	\$ -	
WINTER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER	kWh	\$/kWh			
WINTER PEAK	600,000	0.0000	\$ -		
WINTER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0000	\$ -	
SUMMER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER	kWh	\$/kWh			
SUMMER PEAK	600,000	0.0000	\$ -		
SUMMER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER					WINTER				
	KW	RATE \$/kW	CHARGE \$			KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS
DISTRIBUTION					DISTRIBUTION				
kW	6000	0.0000	\$ -		kW	6000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER Demand				
Demand Charge	6000	0.0000	\$ -		Charge	6000	0.0000	\$ -	
		RATE					RATE		
		\$/kWh					\$/kWh		
COST OF POWER kWh					COST OF POWER kWh				
WINTER PEAK 1,500,000		0.0000	\$ -		WINTER PEAK #####		0.0000	\$ -	
WINTER OFF					WINTER OFF				
PEAK 1,500,000		0.0000	\$ -		PEAK 1,500,000		0.0000	\$ -	
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$ -		CHARGE			#DIV/0!	
TOTAL			\$ -		TOTAL			#DIV/0!	#DIV/0! #DIV/0!
SUMMER					SUMMER				
	KW	RATE \$/kW	CHARGE \$			KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS
DISTRIBUTION					DISTRIBUTION				
kW	6000	0.0000	\$ -		kW	6000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER Demand				
Demand Charge	6000	0.0000	\$ -		Charge	6000	0.0000	\$ -	
		RATE					RATE		
		\$/kWh					\$/kWh		
COST OF POWER kWh					COST OF POWER kWh				
SUMMER PEAK 1 500,000		0.0000	\$ -		SUMMER PEAK #####		0.0000	\$ -	
SUMMER OFF					SUMMER OFF				
PEAK 1,500,000		0.0000	\$ -		PEAK 1,500,000		0.0000	\$ -	
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$ -		CHARGE			#DIV/0!	
TOTAL			\$ -		TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Mail Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.
The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

\$ -

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.
The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	103,660,762	13,352	\$3,447,400.23	55.78%	\$ -
GENERAL SERVICE <50 KW CLASS	-	50,337,652	1,397	\$884,849.62	14.32%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	328,032	-	110	\$1,786,274.25	28.90%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	2,495	-	853	\$19,699.52	0.32%	\$ -
STREET LIGHTING CLASS	6,877	-	2,851	\$42,195.21	0.68%	\$ -
TOTALS				\$6,180,418.83	1.00	\$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.210	0.790	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	103,660,762		
(C) NUMBER OF CUSTOMERS		13,352	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (This amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.770	0.230	100%
ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	50,337,652		
(C) NUMBER OF CUSTOMERS		1,397	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.935	0.065	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	328,032		
(C) NUMBER OF CUSTOMERS		110	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED Z- Factor Amount for Recovery 100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	ALLOCATED Z- Factor Amount for Recovery 100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	ALLOCATED Z- Factor Amount for Recovery 100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	2,495		
(C) NUMBER OF CUSTOMERS		853	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and		\$0.0000	

the total new Service Charge appears on the Rate Schedule on Sheet 12)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	ALLOCATED Z- Factor Amount for Recovery 100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	6,877		
(C) NUMBER OF CUSTOMERS (Connections)		2,851	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

SHEET 12 - 2002 Rate Schedule including 2001/2002 PILs Estimate and Z-Factor Adders

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Full Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00694
MONTHLY SERVICE CHARGE (Per Customer)	\$17.37213
COST OF POWER KWH RATE	\$0.05350

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.00008			
MONTHLY SERVICE CHARGE (Per Customer)	-\$0.19251			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02017
MONTHLY SERVICE CHARGE (Per Customer)	\$15.21498
COST OF POWER KWH RATE	\$0.053500

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.00010			
MONTHLY SERVICE CHARGE (Per Customer)	-\$0.11452			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.50850
MONTHLY SERVICE CHARGE (Per Customer)	\$102.28785
COST OF POWER KW RATE	\$1.667300
COST OF POWER KWH RATE	\$0.049500

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.83125

MONTHLY SERVICE CHARGE (Per Connection) \$1.76441

COST OF POWER KW RATE \$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE -\$0.01640

MONTHLY SERVICE CHARGE (Per Connection) -\$0.01579

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.46198

MONTHLY SERVICE CHARGE (Per Connection) \$1.16704

COST OF POWER KW RATE \$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.01242	
MONTHLY SERVICE CHARGE (Per Connection)	-\$0.00987	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Mail Address	tim.curtis@cnpower.com		
ON NUMBER	1		
	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for Transition Costs by the 10 cost categories shown in Article 480 of the APH Handbook. These categories are:

- | | |
|----------------------------------|-------------------------------|
| 1 Billing Activities | 6 Staff Adjustment Activities |
| 2 Customer Education Services | 7 Regulatory Costs |
| 3 Wholesale Market Requirements | 8 Taxes |
| 4 IMO Requirements | 9 Regulatory Requirements |
| 5 Retailer/Customer Requirements | 10 Other |

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown in the 2001 Statistics Table below. If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: \$ 206,218.09

Transition Cost Category	1	Allocation	5	Allocation	9	Allocation	Allocation	Total
TOTAL	\$ 57,239.70		\$ 98,714.12		\$ 50,264.27			\$ 206,218.09
RESIDENTIAL CLASS	\$ 31,927.96	55.78%	\$ 55,062.14	55.78%	\$ 28,037.11	55.78%	55.78%	\$ 115,027.20
GENERAL SERVICE <50 KW CLASS	\$ 8,195.00	14.32%	\$ 14,132.89	14.32%	\$ 7,196.33	14.32%	14.32%	\$ 29,524.21
GENERAL SERVICE >50 KW NON TIME OF USE	\$ 16,543.51	28.90%	\$ 28,530.51	28.90%	\$ 14,527.46	28.90%	28.90%	\$ 59,601.47
GENERAL SERVICE >50 KW TIME OF USE	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -
INTERMEDIATE USE	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -
LARGE USER CLASS	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -
SENTINEL LIGHTS	\$ 182.45	0.32%	\$ 314.64	0.32%	\$ 160.21	0.32%	0.32%	\$ 657.30
STREET LIGHTING CLASS	\$ 390.79	0.68%	\$ 673.95	0.68%	\$ 343.17	0.68%	0.68%	\$ 1,407.90
TOTALS	\$ 57,239.70	100.00%	\$ 98,714.12	100.00%	\$ 50,264.27	100.00%	100.00%	\$ 206,218.09

Statistics by Class		kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
	kW					
RESIDENTIAL CLASS	-	103,660,762	13,352	\$3,447,400.23	55.78%	\$ 115,027.20
GENERAL SERVICE <50 KW CLASS	-	50,337,652	1,397	\$884,849.62	14.32%	\$ 29,524.21
GENERAL SERVICE >50 KW NON TIME OF USE	328,032	-	110	\$1,786,274.25	28.90%	\$ 59,601.47
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	2,495	-	853	\$19,699.52	0.32%	\$ 657.30
STREET LIGHTING CLASS	6,877	-	2,851	\$42,195.21	0.68%	\$ 1,407.90
TOTALS				\$6,180,418.83	1.00	206,218.09
						\$ 206,218.09

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.210	0.790	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	\$ 24,155.71	\$ 90,871.49	\$ 115,027.20
(B) RETAIL KWH	103,660,762		
(C) NUMBER OF CUSTOMERS		13,352	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000233		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.5672	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.770	0.230	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	\$ 22,733.64	\$ 6,790.57	\$ 29,524.21
(B) RETAIL KWH	50,337,652		
(C) NUMBER OF CUSTOMERS		1,397	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000452		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.4051	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.935	0.065	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	\$ 55,727.38	\$ 3,874.10	\$ 59,601.47
(B) RETAIL KW	328,032		
(C) NUMBER OF CUSTOMERS		110	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.169884		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$2.9349	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and	#DIV/0!		

the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 12 and
the total new Service Charge appears on the Rate Schedule on Sheet 14)

Isler Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.000	SERVICE CHARGE REVENUE Percentage 1.000	2002 Transition Costs for Recovery 100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	2002 Transition Costs for Recovery 100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	\$ 132.77	\$ 524.53	\$ 657.30
(B) RETAIL KW	2,495		
(C) NUMBER OF CUSTOMERS		853	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.053216		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0512	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage 0.202	SERVICE CHARGE REVENUE Percentage 0.798	2002 Transition Costs for Recovery 100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	\$ 284.40	\$ 1,123.50	\$ 1,407.90
(B) RETAIL KW	6,877		
(C) NUMBER OF CUSTOMERS (Connections)		2,851	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.041355		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0328	

SHEET 14 - 2002 Rate Schedule including 2001/2002 PILs Estimate, Z-Factor & Transition Cost Adders

NAME OF UTILITY	Canadian Niagara Power Inc.	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Address	tim.curtis@cnpower.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	\$17.9393
COST OF POWER KWH RATE	\$0.0535

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0002				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.3746				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0206
MONTHLY SERVICE CHARGE (Per Customer)	\$15.6200
COST OF POWER KWH RATE	\$0.053500

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0004				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.2905				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.6784
MONTHLY SERVICE CHARGE (Per Customer)	\$105.2228
COST OF POWER KW RATE	\$1.667300
COST OF POWER KWH RATE	\$0.049500

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.8845
MONTHLY SERVICE CHARGE (Per Connection)	\$1.7644
COST OF POWER KW RATE	\$16.5444

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0368	
MONTHLY SERVICE CHARGE (Per Connection)	-\$0.0158	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.5033
MONTHLY SERVICE CHARGE (Per Connection)	\$1.1999
COST OF POWER KW RATE	\$18.3043

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0289	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0230	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 15 - Bill Impact Analysis for 2002 Rate Schedule after 2001 & 2002 PILs Adjustments, Z-Factor & Transition Costs

NAME OF UTILITY Canadian Niagara Power Inc. LICENCE NUMBER ED-1999-0160
NAME OF CONTACT Timothy B. Curtis PHONE NUMBER (905) 994-3632
E-Mail Address tim.curtis@cnpower.com
VERSION NUMBER 1
25-Jan-02

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate, the 2002 PILs estimate and the impact of the addition of Z-Factor and Transition Cost amounts.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs, Z-Factor and Transition Costs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001 & 2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVEL

100 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76
COST OF POWER KWH	100	0.0071	\$ 0.71
COST OF POWER KWH	100	0.0535	\$ 5.35

CURRENT 2001 BILL

\$ 23.82

	KWH (enter)	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.94		
COST OF POWER KWH	100	0.00717	\$ 0.72		
COST OF POWER KWH	100	0.0535	\$ 5.35		

Adjusted 2002 BILL

\$ 24.01 \$ 0.19 0.8%

MONTHLY CONSUMPTION OF

250 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76
COST OF POWER KWH	250	0.0071	\$ 1.78
COST OF POWER KWH	250	0.0535	\$ 13.38

CURRENT 2001 BILL

\$ 32.91

	KWH (enter)	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.94		
COST OF POWER KWH	250	0.00717	\$ 1.79		
COST OF POWER KWH	250	0.0535	\$ 13.38		

Adjusted 2002 BILL

\$ 33.11 \$ 0.20 0.6%

MONTHLY CONSUMPTION OF

500 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76
COST OF POWER KWH	500	0.0071	\$ 3.55
COST OF POWER KWH	500	0.0535	\$ 26.75

CURRENT 2001 BILL

\$ 48.06

	KWH (enter)	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.94		
COST OF POWER KWH	500	0.00717	\$ 3.59		
COST OF POWER KWH	500	0.0535	\$ 26.75		

Adjusted 2002 BILL

\$ 48.28 \$ 0.22 0.5%

MONTHLY CONSUMPTION OF

750 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76
COST OF POWER KWH	750	0.0071	\$ 5.33
COST OF POWER KWH	750	0.0535	\$ 40.13

CURRENT 2001 BILL

\$ 63.21

	KWH (enter)	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.94		
COST OF POWER KWH	750	0.00717	\$ 5.36		
COST OF POWER KWH	750	0.0535	\$ 40.13		

Adjusted 2002 BILL

\$ 63.44 \$ 0.23 0.4%

MONTHLY CONSUMPTION OF

1000 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.76
COST OF POWER KWH	1000	0.0071	\$ 7.10
COST OF POWER KWH	1000	0.0535	\$ 53.50

CURRENT 2001 BILL

\$ 78.36

	KWH (enter)	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 17.94		
COST OF POWER KWH	1000	0.00717	\$ 7.17		
COST OF POWER KWH	1000	0.0535	\$ 53.50		

Adjusted 2002 BILL

\$ 78.61 \$ 0.25 0.3%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.94	
DISTRIBUTION KWH	1500	0.0071	\$ 10.65		DISTRIBUTION KWH	1500	0.00717	\$ 10.76	
COST OF POWER KWH	1500	0.0535	\$ 80.25		COST OF POWER KWH	1500	0.0535	\$ 80.25	
CURRENT 2001 BILL			\$ 108.66	Adjusted 2002 BILL			\$ 108.95	\$ 0.29	0.3%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.76		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.34	
DISTRIBUTION KWH	2000	0.0071	\$ 14.20		DISTRIBUTION KWH	2000	0.00717	\$ 14.35	
COST OF POWER KWH	2000	0.0535	\$ 107.00		COST OF POWER KWH	2000	0.0535	\$ 107.00	
CURRENT 2001 BILL			\$ 138.96	Adjusted 2002 BILL			\$ 139.29	\$ 0.33	0.2%

GENERAL SERVICE < 50 KW

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL	2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)
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1000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.50		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.62	
DISTRIBUTION KWH	1000	0.0205	\$ 20.50		DISTRIBUTION KWH	1000	0.02062	\$ 20.62	
COST OF POWER KWH	1000	0.0535	\$ 53.50		COST OF POWER KWH	1000	0.0535	\$ 53.50	
CURRENT 2001 BILL			\$ 89.50	Adjusted 2002 BILL			\$ 89.75	\$ 0.25	0.3%

**MONTHLY CONSUMPTION
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.50		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.62	
DISTRIBUTION KWH	2000	0.0205	\$ 41.00		DISTRIBUTION KWH	2000	0.02062	\$ 41.25	
COST OF POWER KWH	2000	0.0535	\$ 107.00		COST OF POWER KWH	2000	0.0535	\$ 107.00	
CURRENT 2001 BILL			\$ 163.50	Adjusted 2002 BILL			\$ 163.87	\$ 0.37	0.2%

**MONTHLY CONSUMPTION
5000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.50		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.62	
DISTRIBUTION KWH	5000	0.0205	\$ 102.50		DISTRIBUTION KWH	5000	0.02062	\$ 103.12	
COST OF POWER KWH	5000	0.0535	\$ 267.50		COST OF POWER KWH	5000	0.0535	\$ 267.50	
CURRENT 2001 BILL			\$ 385.50	Adjusted 2002 BILL			\$ 386.25	\$ 0.75	0.2%

**MONTHLY CONSUMPTION
10,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.50		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.62	
DISTRIBUTION KWH	10000	0.0205	\$ 205.00		DISTRIBUTION KWH	10000	0.02062	\$ 206.25	
COST OF POWER KWH	10000	0.0535	\$ 535.00		COST OF POWER KWH	10000	0.0535	\$ 535.00	
CURRENT 2001 BILL			\$ 755.50	Adjusted 2002 BILL			\$ 756.87	\$ 1.37	0.2%

**MONTHLY CONSUMPTION
20,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
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MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.50	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.62
DISTRIBUTION KWH	20000	0.0205	\$	410.00	DISTRIBUTION KWH	20000	0.02062	\$	412.50
COST OF POWER KWH	20000	0.0535	\$	1,070.00	COST OF POWER KWH	20000	0.0535	\$	1,070.00
CURRENT 2001 BILL			\$	1,495.50	Adjusted 2002 BILL			\$	1,498.12
								\$	2.62
									0.2%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)				
ENTER DESIRED CONSUMPTION LEVEL									
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS
MONTHLY SERVICE CHARGE	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE	n/a	n/a	\$	105.22
DISTRIBUTION KWH	0	6.6284	\$	-	DISTRIBUTION KWH	0	6.67839	\$	-
COST OF POWER KWH	0	1.6673	\$	-	COST OF POWER KWH	0	1.6673	\$	-
COST OF POWER KWH	0	0.0495	\$	-	COST OF POWER KWH	0	0.0495	\$	-
CURRENT 2001 BILL			\$	104.33	Adjusted 2002 BILL			\$	105.22
								\$	0.89
									0.9%

MONTHLY CONSUMPTION 100kW, 30,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE	n/a	\$	105.22	
DISTRIBUTION KWH	100	6.6284	\$	662.84	DISTRIBUTION KWH	100	6.67839	\$	667.84
COST OF POWER KWH	100	1.6673	\$	166.73	COST OF POWER KWH	100	1.6673	\$	166.73
COST OF POWER KWH	30,000	0.0495	\$	1,485.00	COST OF POWER KWH	30,000	0.0495	\$	1,485.00
CURRENT 2001 BILL			\$	2,418.90	Adjusted 2002 BILL			\$	2,424.79
								\$	5.89
									0.2%

MONTHLY CONSUMPTION 100kW, 40,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE	n/a	\$	105.22	
DISTRIBUTION KWH	100	6.6284	\$	662.84	DISTRIBUTION KWH	100	6.67839	\$	667.84
COST OF POWER KWH	100	1.6673	\$	166.73	COST OF POWER KWH	100	1.6673	\$	166.73
COST OF POWER KWH	40,000	0.0495	\$	1,980.00	COST OF POWER KWH	40,000	0.0495	\$	1,980.00
CURRENT 2001 BILL			\$	2,913.90	Adjusted 2002 BILL			\$	2,919.79
								\$	5.89
									0.2%

MONTHLY CONSUMPTION 500kW, 100,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE	n/a	\$	105.22	
DISTRIBUTION KWH	500	6.6284	\$	3,314.20	DISTRIBUTION KWH	500	6.67839	\$	3,339.19
COST OF POWER KWH	500	1.6673	\$	833.65	COST OF POWER KWH	500	1.6673	\$	833.65
COST OF POWER KWH	100,000	0.0495	\$	4,950.00	COST OF POWER KWH	100,000	0.0495	\$	4,950.00
CURRENT 2001 BILL			\$	9,202.18	Adjusted 2002 BILL			\$	9,228.07
								\$	25.89
									0.3%

MONTHLY CONSUMPTION 500kW, 250,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	104.33	MONTHLY SERVICE CHARGE	n/a	\$	105.22	
DISTRIBUTION KWH	500	6.6284	\$	3,314.20	DISTRIBUTION KWH	500	6.67839	\$	3,339.19
COST OF POWER KWH	500	1.6673	\$	833.65	COST OF POWER KWH	500	1.6673	\$	833.65
COST OF POWER KWH	250,000	0.0495	\$	12,375.00	COST OF POWER KWH	250,000	0.0495	\$	12,375.00
CURRENT 2001 BILL			\$	16,627.18	Adjusted 2002 BILL			\$	16,653.07
								\$	25.89
									0.2%

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22	
KW	1000	6.6284	\$ 6,628.40		KW	1000	6.67839	\$ 6,678.39	
COST OF POWER KW	1000	1.6673	\$ 1,667.30		COST OF POWER KW	1000	1.6673	\$ 1,667.30	
COST OF POWER KWH	400,000	0.0495	\$ 19,800.00		COST OF POWER KWH	400,000	0.0495	\$ 19,800.00	
CURRENT 2001 BILL			\$ 28,200.03	Adjusted 2002 BILL			\$ 28,250.91	\$ 50.88	0.2%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22		
KW	1000	6.6284	\$ 6,628.40	KW	1000	6.67839	\$ 6,678.39		
COST OF POWER KW	1000	1.6673	\$ 1,667.30	COST OF POWER KW	1000	1.6673	\$ 1,667.30		
COST OF POWER KWH	500,000	0.0495	\$ 24,750.00	COST OF POWER KWH	500,000	0.0495	\$ 24,750.00		
CURRENT 2001 BILL			\$ 33,150.03	Adjusted 2002 BILL			\$ 33,200.91	\$ 50.88	0.2%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22		
KW	3000	6.6284	\$ 19,885.20	KW	3000	6.67839	\$ 20,035.16		
COST OF POWER KW	3000	1.6673	\$ 5,001.90	COST OF POWER KW	3000	1.6673	\$ 5,001.90		
COST OF POWER KWH	1,000,000	0.0495	\$ 49,500.00	COST OF POWER KWH	#####	0.0495	\$ 49,500.00		
CURRENT 2001 BILL			\$ 74,491.43	Adjusted 2002 BILL			\$ 74,642.29	\$ 150.86	0.2%

MONTHLY CONSUMPTION
1,500kW, 1,500,000kWh

MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22		
KW	3000	6.6284	\$ 19,885.20	KW	3000	6.67839	\$ 20,035.16		
COST OF POWER KW	3000	1.6673	\$ 5,001.90	COST OF POWER KW	3000	1.6673	\$ 5,001.90		
COST OF POWER KWH	1,500,000	0.0495	\$ 74,250.00	COST OF POWER KWH	#####	0.0495	\$ 74,250.00		
CURRENT 2001 BILL			\$ 99,241.43	Adjusted 2002 BILL			\$ 99,392.29	\$ 150.86	0.2%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22		
KW	4000	6.6284	\$ 26,513.60	KW	4000	6.67839	\$ 26,713.55		
COST OF POWER KW	4000	1.6673	\$ 6,669.20	COST OF POWER KW	4000	1.6673	\$ 6,669.20		
COST OF POWER KWH	1,200,000	0.0495	\$ 59,400.00	COST OF POWER KWH	#####	0.0495	\$ 59,400.00		
CURRENT 2001 BILL			\$ 92,687.13	Adjusted 2002 BILL			\$ 92,887.97	\$ 200.84	0.2%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 104.33	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 105.22		
KW	4000	6.6284	\$ 26,513.60	KW	4000	6.67839	\$ 26,713.55		
COST OF POWER KW	4000	1.6673	\$ 6,669.20	COST OF POWER KW	4000	1.6673	\$ 6,669.20		
COST OF POWER KWH	1,800,000	0.0495	\$ 89,100.00	COST OF POWER KWH	#####	0.0495	\$ 89,100.00		
CURRENT 2001 BILL			\$ 122,387.13	Adjusted 2002 BILL			\$ 122,587.97	\$ 200.84	0.2%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
WINTER PEAK	20,000	0.0000	\$ -	
WINTER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
SUMMER PEAK	20,000	0.0000	\$ -	
SUMMER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
400kW, 1,200,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
WINTER PEAK	600,000	0.0000	\$ -	
WINTER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	4000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	4000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
SUMMER PEAK	600,000	0.0000	\$ -	
SUMMER OFF PEAK	600,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
WINTER PEAK	600,000	0.0000	\$ -		
WINTER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
SUMMER PEAK	600,000	0.0000	\$ -		
SUMMER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

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ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
WINTER PEAK	1,500,000	0.0000	\$ -	
WINTER OFF PEAK	1,500,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand					
Charge	6000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
WINTER PEAK	#####	0.0000	\$ -		
WINTER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
		RATE		
COST OF POWER kWh		\$/kWh		
SUMMER PEAK	1,500,000	0.0000	\$ -	
SUMMER OFF PEAK	1,500,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand					
Charge	6000	0.0000	\$ -		
		RATE			
COST OF POWER kWh		\$/kWh			
SUMMER PEAK	#####	0.0000	\$ -		
SUMMER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

Schedule of Rates and Charges

Canadian Niagara Power Inc.

Effective March 1, 2002

RP-2002-xxxx

EB-2002-xxxx

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.94
Distribution Volumetric Rate	(per kWh)	\$0.0072
Cost of Power Rate	(per kWh)	\$0.0535

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kWh)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.62
Distribution Volumetric Rate	(per kWh)	\$0.0206
Cost of Power Rate	(per kWh)	\$0.0535

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kWh)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

Schedule of Rates and Charges

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$105.22
Distribution Volumetric Rate	(per kW)	\$6.6784
Cost of Power Demand Rate	(per kW)	\$1.6673
Cost of Power Energy Rate	(per kWh)	\$0.0495

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

LARGE USE

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

Schedule of Rates and Charges

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.76
Distribution Volumetric Rate	(per kW)	\$1.8845
Cost of Power Demand Rate	(per kW)	\$16.5444

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$1.20
Distribution Volumetric Rate	(per kW)	\$1.5033
Cost of Power Demand Rate	(per kW)	\$18.3043

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

New Account Setup	\$	15.00
Change of Occupancy	\$	15.00
Account History		
Administration Fee	\$	10.00
Current Year Data	\$	-
Each Additional Year	\$	-
Archived Record	\$	20.00/hr.
Arrear's Certificate	\$	10.00
Late Payment		1.50%
Returned Cheque	\$	15.00
Collection of Account Charge	\$	15.00

Disconnect/Reconnect Charges (non payment of account)

At Meter - During Reg	\$	25.00
At Meter - After Hours	\$	150.00

Disconnect/Reconnect Charges (non payment of account)

At Pole - During Regu	\$	45.00
At Pole - After Hours	\$	300.00

Temporary Pole Service	\$	-
------------------------	----	---

Schedule of Rates and Charges

After Hours High Voltage Station C	\$	-
Residential Service 2nd Visit to Cc	\$	-
Residential Service After Hours Vi:	\$	-
Diversity Adjustment Winter	\$	-
(discontinued at Mar Summer	\$	-

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name			Amount
5	Reporting period			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	CNPI is subject to
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	No
14				
15	Accounting Year End		Date	31-Dec
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			21,170,240
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			1,813,231
33				
34	1999 return from RUD Sheet #7			1,813,231
35				
36	Total Incremental revenue			0
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			
40	Amount allowed in 2002, Year 2			
41	Amount allowed in 2003, Year 3			
42				
43	Equity			10,585,120
44				
45	Return at target ROE			1,045,810
46				
47	Debt			10,585,120
48				
49	Deemed interest amount in EBIT			767,421
50				
51	Phase-in of interest - Year 1			767,421
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			767,421
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			767,421
56				

LINE	A	B	C	D	E	F		G	H	I	J	K	L
						Deferral	Account						
			Initial	Source	Deferral	Account	Account	Deferral	Source	M of F	M of F	M of F	Source
			Estimate	Foot-	Account	Variance	Variance	Account	Foot-	Filing	Filing	Filing	Source
				note	G-C			Allowance	note	K-G	Variance	(June)	Foot-
			\$	#	\$			\$	#	\$	Explanation	\$	note
													#
1	SECTION 93 PILS TAX GROSS-UP "SIMPL"												
2	DEFERRAL VARIANCE ACCOUNTS												
3	TAX CALCULATIONS (TAXCALC)												
4	("Wires-only" business - see Tab TAXREC)												
5													
55													
56	III CAPITAL TAXES												
57													
58	Ontario												
59	Base	16		16A	0				16B	0		0	16C
60	Less: Exemption	17		17A	0				17B	0		0	17C
61	Deemed Taxable Capital		0		0			0		0		0	
62													
63	Rate (.3%)	18	0.3000%	18A	0.0000%			0.3000%	18B	0.0000%		0.3000%	18C
64													
65	Net Amount (Taxable Capital x Rate)		0		54,965			54,965		-54,965		0	
66													
67	Federal (LCT)												
68	Base	19		19A	0				19B	0		0	19C
69	Less: Exemption	20		20A	0				20B	0		0	20C
70	Deemed Taxable Capital		0		0			0		0		0	
71													
72	Rate (.225%)	21	0.2250%	21A	0.0000%			0.2250%	21B	0.0000%		0.2250%	21C
73													
74	Gross Amount (Taxable Capital x Rate)		0		47,633			47,633		-47,633		0	
75	Less: Federal Surtax	22	0	22A	-11,028			-11,028	22B	0		-11,028	22C
76													
77	Net LCT		0		36,605			36,605		-47,633		-11,028	
78													
79													
80	III INCLUSION IN RATES MARCH 2002												
81													
82	Income Tax (grossed-up)	23	0	23A	619,529			619,529	23B	-619,529		n/a	n/a
83	LCT (grossed-up)	24	0	24A	-58,568			-58,568	24B	-58,568		n/a	n/a
84	Ontario Capital Tax	25	0	25A	54,965			54,965	25B	-54,965		n/a	n/a
85													
86													
87	Total S. 93 Pils Rate Adjustment		0		733,063			733,063		-733,063			
88													
89													
90													

A		B	C	D	E	F	G	H	I	J	K	L
SECTION 93 PILS TAX GROSS-UP "SIMPIL"		LINE	Initial Estimate	Source Foot-note #	Deferral Account Variance G-C	Deferral Account Variance Explanation	Deferral Account Allowance	Source Foot-note #	M of F Filing K-G	M of F Filing Variance Explanation	M of F Filing (June)	Source Foot-note #
DEFERRAL/VARIANCE ACCOUNTS												
TAX CALCULATIONS (TAXCALC)												
("Wires-only" business - see Tab TAXREC)												
91												
92	IV) FUTURE TRUE-UPS (post June 2002)								DR / (CR)			
93	Amount in M of F Filing Variance (Column I) that											
94	the Board orders added/subtracted from rates											
95	EBIT	1										
96	Depreciation & Amortization	2								No true-up		
97	Federal Large Corporation Tax	3								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4								No true-up		
99	Change in Tax Reserves	5								0 True-up		
100	Regulatory Adjustments	6								0 True-up		
101	Other additions "Material" Item #1	7								0 True-up		
102	Other additions "Material" Item #2	7								0 True-up		
103	Other additions (not "Material")	7								0 True-up		
104	Capital Cost Allowance	8								No true-up		
105	Employee Benefit Plans - Paid Amounts	9								No true-up		
106	Items Capitalized for Regulatory Purposes	10								0 True-up		
107	Regulatory Adjustments	11								0 True-up		
108	Interest Adjustment for Tax Purposes (Cell I135)	12								0 True-up-See Below		
109	Other deductions "Material" Item #1	13								0 True-up		
110	Other deductions "Material" Item #2	13								0 True-up		
111	Other deductions (not "Material")	13								No true-up		
112	Miscellaneous Tax Credits	15								0 True-up		
113												
114	Deferral Account Entry (Positive Entry=Debit)									0 True-up		
115												
116												
117	V) INTEREST PORTION OF TRUE-UP											
118												
119	Variance Caused By Phase-in of Deemed Debt											
120												
121	Total deemed interest (REGINFO CELL D49)									-767,421		
122	Interest phased-in - (Deferral Account Cell G34)									767,421		
123												
124	Variance due to phase-in of debt structure									0		
125	according to Rate Handbook											
126												
127	Other Interest Variances (ie Borrowing Levels											
128	Above Deemed Debt per Rate Handbook)											
129												
130	Interest deducted on MoF filing (Cell K34)									-767,421		
131	Total deemed interest (REGINFO CELL D49)									767,421		
132												
133	Variance caused by excess debt									0		
134												
135	Interest Adjustment for Tax Purposes Cell I108									0 True-up Amount- Used above		
136												
137	Total Interest Variance (Cell I34)									0		
138												

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-note
4			Return			#
5						
6						
7	Utility Name:					
8	Reporting period:					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	1,813,231	0	1,813,231	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		942,613	0	942,613	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			942,613	0	942,613	
37	Other Additions: (From T2 S1)				0	7C
38	Recapture of CCA				23,648	7C
39	Non-deductible expenses:		23,648			7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	Other Additions:				0	7C
83					0	
84	Total Other Additions		23,648	0	23,648	7C
85						
86	Total Additions		966,261	0	966,261	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance		-877,433		-877,433	8C
90	Employee benefit plans-paid amounts		-150,000		-150,000	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred		-767,421		-767,421	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			-1,794,854	0	-1,794,854	
97	Other deductions: (From T2 S1)					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses- preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	Other deductions:				0	
131					0	
132					0	
133	Total Other Deductions		0	0	0	13C
134						
135	Total Deductions		-1,794,854	0	-1,794,854	
136						
137						
138	TAXABLE INCOME		984,638	0	984,638	
139						
0						
141						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock					0
149	Retained earnings (if deficit, deduct)					0
150	Capital and other surplus excluding					0
151	appraisal surplus					0
152	Loans and advances					0
153	Bank loans					0
154	Bankers acceptances					0
155	Bonds and debentures payable					0
156	Mortgages payable					0
157	Lien notes payable					0
158	Deferred credits					0
159	Contingent, investment, inventory and					0
160	similar reserves					0
161	Other reserves not allowed as deductions					0
162	Share of partnership(s), joint venture(s)					0
163	paid-up capital					0
164	Sub-total		0	0		0
165	Subtract:					
166	Amounts deducted for income tax					0
167	purposes in excess of amounts booked					0
168	Deductible R&D expenditures and ONTTI					0
169	costs deferred for income tax					0
170						0
171	Total (Net) Paid-up Capital		0	0		0
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons					0
176	Mortgages due from other corporations					0
177	Shares in other corporations					0
178	Loans and advances to unrelated corporations					0
179	Eligible loans and advances to related					0
180	corporations					0
181	Share of partnership(s) or joint venture(s)					0
182	eligible investments					0
183						
184	Total Eligible Investments		0	0		0
185						
186						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet				0	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	Total assets as adjusted		0	0	0	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1	1	2	
213						
214	Investment Allowance					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	Taxable Capital					
220						
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0	0	
223						
224	Taxable Capital		0	0	0	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital			0	0	16C
229						
230	Deduction from taxable capital up to \$5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		54,965	0	0	
240						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
241						
242						
243	LARGE CORPORATION TAX					
244						
245	CAPITAL					
246						
247	ADD:					
248	Reserves that have not been deducted in					0
249	computing income for the year under Part I					0
250	Capital stock					0
251	Retained earnings					0
252	Contributed surplus					0
253	Any other surpluses					0
254	Deferred unrealized foreign exchange gains					0
255	All loans and advances to the corporation					0
256	All indebtedness- bonds, debentures, notes,					0
257	mortgages, bankers acceptances, or similar					0
258	obligations					0
259	Any dividends declared but not paid					0
260	All other indebtedness outstanding for more					0
261	than 365 days					0
262						
263	Subtotal		0	0	0	
264						
265	DEDUCT:					
266	Deferred tax debit balance					0
267	Any deficit deducted in computing					0
268	shareholders' equity					0
269	Any patronage dividends 135(1) deducted in					0
270	computing income under Part I included in					0
271	amounts above					0
272	Deferred unrealized foreign exchange losses					0
273						
274	Subtotal		0	0	0	
275						
276	Capital for the year		0	0	0	
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation					0
281	Loan or advance to another corporation					0
282	Bond, debenture, note, mortgage, or					0
283	similar obligation of another corporation					0
284	Long term debt of financial institution					0
285	Dividend receivable from another corporation					0
286	Debts of corporate partnerships that were not					0
287	exempt from tax under Part I.3					0
288	Interest in a partnership					0
289						
290	Investment Allowance		0	0	0	
291						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	Gross Part I.3 Tax LCT		47,633	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		11,028	0	11,028	
15						
16	Net Part I.3 Tax LCT Payable		36,605	0	-11,028	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

2002 OEB DECISION

Ontario Energy
Board
P.O. Box 2319
26th. Floor
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Commission de l'Énergie
de l'Ontario
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BY PRIORITY POST

December 11, 2001

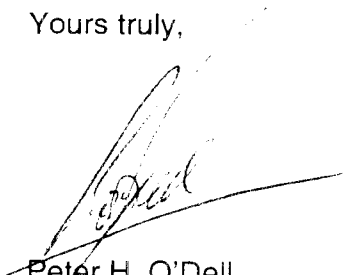
Mr. Timothy B. Curtis
Canadian Niagara Power Inc.
1130 Bertie Street
P.O. Box 1218
Fort Erie, Ontario
L2A 5Y2

Dear Mr. Curtis:

Re: Canadian Niagara Power Inc. - Electricity Rate Change
Board File No. RP-2000-0209/EB-2000-0449

The Board has today issued its Decision with Reasons and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,


Peter H. O'Dell
Assistant Board Secretary

Encl.



RP-2000-0209
EB-2000-0449

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 Canadian Niagara Power Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

Sally Zerker
Member

Bob Betts
Member

DECISION WITH REASONS AND ORDER

Canadian Niagara Power Inc. ("CNPI" or "the Applicant"), filed an application ("the Application") with the Ontario Energy Board ("the Board"), dated November 29, 2000, for an order or orders approving or fixing just and reasonable rates for the distribution of electricity.

Under the direction of the Board, CNPI published a Notice of Application and Notice of Written Hearing in local newspapers. No interventions were received.

The Applicant initially claimed a revenue deficiency of \$611,330, which arises from an estimated rate base of \$21,170,240, a 50/50 debt/equity structure, a 9.88% return on common equity, and a debt cost rate of 7.25%. The revenue deficiency was calculated based on 1999 data. The Applicant requested to recover this deficiency through increased rates between December 1, 2001 and April 30, 2002.

The Applicant also indicated that, under an agreement with Ontario Power Generation Inc. (OPGI), CNPI is required to pay OPGI up to a maximum of \$40,000 monthly for load balancing service since May 2000. On May 14, 2001, CNPI filed an amendment to its distribution rate application to recover costs incurred for these load balancing activities, a service for which it had not previously charged tariffs. CNPI proposed two options to collect these incremental costs in the cost of power rates retroactively effective May 2000. The first option is a five-month collection period from December 1, 2001 to April 30, 2002 to recover foregone revenues from May 1, 2000 to November 30, 2001. The second option is a twenty-five month collection period from December 1, 2001 to December 31, 2003 to recover the same foregone revenues.

In a letter to the Board dated November 19, 2001, CNPI withdrew its previous request to change the 5% late payment charge to 1.5% and indicated that it will institute the latter charge at a later time.

Copies of the Application, including the evidence filed in this proceeding, are available for review at the Board's offices.

Board Findings

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

The Board directs CNPI to apply for the appropriate revision to its late payment charge policy at the time it files new rates for March 1, 2002.

The Board accepts CNPI's calculation of the \$611,330 revenue deficiency amount based on 1999 data. The Board authorizes CNPI to recover the foregone distribution revenue in the billings to customers for consumption prior to March 1, 2002, as this date is scheduled to be the effective date for rate adjustments as a result of the Rate Handbook and other Board directives or guidelines.

The Board does not accept CNPI's proposal to recover the load balancing costs since May 1, 2000. The determination of revenue requirement should be based on a twelve month test period, with annualization where appropriate. CNPI's proposal seeks to recover "out of period" costs. The Board will allow recovery of an annualized amount, the maximum of which would be \$480,000. Further, since these load balancing costs are cost of power related, the Board is of the view that these costs should be recovered prior to market opening, at which time the cost of power and associated costs will be determined differently. While there is no precise date for market opening, the Board authorizes CNPI to recover the retroactive portion of the cost of power increase in the billings to customers for consumption prior to March 1, 2002.

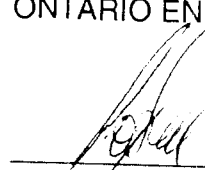
Given the timing of this Decision, the Board anticipates that CNPI's new rates shall be implemented on or about January 1, 2002.

THE BOARD ORDERS THAT:

1. The Applicant shall submit rate schedules which will reflect, on a annualized basis, the Board's findings on distribution revenue deficiency and cost of power revenue deficiency. These rate schedules shall be submitted to the Board as soon as possible but no later than December 14, 2001.
2. CNPI shall notify the Board at the time of filing its rates for March 1, 2001 about the method it employed to recover the retroactive portion of the revenue deficiency from distribution and from power supply. At that time, CNPI shall indicate any over-collection arising from its method of implementation.

DATED at Toronto, December 11, 2001.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

**Ontario Energy
Board**
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
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BY PRIORITY POST

December 19, 2001

Mr. T. B. Curtis
Vice President, Finance and Chief Financial Officer
Canadian Niagara Power Inc.
1130 Bertie Street
P.O. Box 1218
Fort Erie, Ontario
L2A 5Y2

Dear Mr. Curtis

Re: Canadian Niagara Power Inc. - Distribution Rate Application
Board File No: RP-2000-0209/EB-2000-0449

Further to the Board's Decision with Reasons and Order in the above matter issued December 11, 2001, an executed copy of Schedule of Rates and Charges is enclosed herewith.

Yours truly,

A handwritten signature in black ink, appearing to read "Peter H. O'Dell".

Peter H. O'Dell
Assistant Board Secretary

Encl.

RP-2000-0209
EB-2000-0449

December 19, 2001

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read 'P. O'Dell', is written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary

Canadian Niagara Power Inc.
SCHEDULE OF RATES AND CHARGES
January 1, 2002

RP-2000-0209
EB-2000-0449

Residential

Monthly Service Charge	(per month)	\$17.76
Distribution Volumetric Rate	(per kWh)	\$0.0071
Cost of Power	(per kWh)	\$0.0535

General Service, Non-time of Use (Less than 50 kW)

Monthly Service Charge	(per month)	\$15.50
Distribution Volumetric Rate	(per kWh)	\$0.0205
Cost of Power	(per kWh)	\$0.0535

General Service, Non-time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$104.33
Distribution Volumetric Rate	(per kW)	\$6.6284
Cost of Power Charge	(per kW)	\$1.6673
Cost of Power Charge	(per kWh)	\$0.0495

Street Lighting, Non-time of Use

Monthly Service Charge	(per connection)	\$1.19
Distribution Volumetric Rate	(per kW)	\$1.4908
Cost of Power	(per kW)	\$18.3043

Sentinel Lights, Non-Time of Use

Monthly Service Charge	(per connection)	\$1.8682
Distribution Volumetric Rate	(per kW)	\$1.80
Cost of Power	(per kW)	\$16.5444

Un-metered, Scattered Loads

Un-metered scattered loads include traffic lights, telephone booths, cable amplifiers and radio antennae. kWh usage is based on connected load estimates. Charges per account will be as follows:

Monthly Service Charge	(per month)	\$15.50
Distribution Volumetric Rate	(per kWh)	\$0.0205
Cost of Power	(per kWh)	\$0.0535

Specific Service Charges

Customer Administration:

Collection of Account	\$15.00
Arrears Certificate	\$10.00
Change of Occupancy	\$15.00
Late Payment (on current portion of outstanding balance)	5%
Returned Cheque Charge (N.S.F)	\$15.00
Customer Payment History Request	\$10.00
Customer Payment History Request - Archived Record	\$20.00/ hr.

Connection Services:

Reconnection at Meter - During Regular Working Hours	\$25.00
Reconnection at Meter - After Regular Working Hours	\$150.00
Reconnection at Pole - During Regular Working Hours	\$45.00
Reconnection at Pole - After Regular Working Hours	\$300.00

2004 RAM MODEL

SHEET 1 - December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY
NAME OF CONTACT
Mail Address
RSION NUMBER
Date

Canadian Niagara Power Inc. - Fort Erie
Timothy B. Curtis
tim.curtis@torusontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)

Description	Account Number	Applied-for Amount Balance as at Dec. 31, 2002
RSVA - Wholesale Market Service Charge	1580	\$454,020
RSVA - Retail Transmission Network Charge	1584	-\$371,242
RSVA - Retail Transmission Connection Charge	1586	-\$419,963
RSVA - Power	1588	\$0
Sub-Total		-\$337,185
RSVA - One-time Wholesale Market Service	1582	\$0
Other Regulatory Assets	1508	\$0
Retail Cost Variance Account - Retail	1518	\$0
Retail Cost Variance Account - STR	1548	\$0
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$26,728
Deferred Payments in Lieu of Taxes	1562	\$0
PILs Contra Account	1563	\$0
Qualifying Transition Costs	1570	\$0
Pre-Market Opening Energy Variances Total	1571	\$1,379,974
Pre-Market Opening Energy Variances - 2001		\$0
Pre-Market Opening Energy Variances - 2002		\$0
-Ordinary Event Losses	1572	\$0
Deferred Rate Impact Amounts	1574	\$342,650
Other Deferred Credits	2425	\$0
Total Applied-for Regulatory Assets		\$0
(1) Total of 4 RSVA Accounts	(a)	\$1,412,167
4 RSVA accounts as a percent of total: (b) / (a)	(b)	-\$337,185 Approved for 2004 Final Recovery
(2) 25 % of (a)	(c)	-23.9%
		\$353,042

If (b) is greater than (c) go to Section 1

If (b) is less than (c) go to Section 2

Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)	\$353,042	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	\$385,136	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	-\$690,227	Ignore minus sign

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)

\$353,042 Approved for 2004 Rate Recovery

Final 4 RSVA Amount as shown at (b)

-\$337,185

Gross Up for Recovery over 11 months: Amount (b) x 12/11

Enter this amount on Sheet 3

Interim Amount to be recovered (c) - (b)

(d)

\$690,227

Gross Up for Recovery over 11 months: Amount (d) x 12/11

Enter this amount on Sheet 5

Total Final + Interim Amount for Recovery (b) + (d) (no gross up)

\$353,042

Rate Implementation

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

Check Box

Yes or No

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

SHEET 2 - 2002 Base Rate Schedule

V1

NAME OF UTILITY	Canadian Niagara Power Inc. - Fort Erie	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Mail Address	tim.curtis@fortisontario.com		
VERSION NUMBER	1		
Date	23-Jan-04		

Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.
This is the version of the model that was used to determine your current OEB approved rate schedule.
(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates).
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0071
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0204
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.6096
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.8629
MONTHLY SERVICE CHARGE (Per Connection)	\$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.4866
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.
Please enter these charges exactly as they are entered on your current approved rate schedule.
Please add your own specific charges as necessary.

New Account Setup	\$	-
Change of Occupancy	\$	15.00
Account History		
Administration Fee	\$	10.00
Archived Record		\$20.00/hr
Arrear's Certificate		
Late Payment	\$	10.00
Returned Cheque		1.50%
Collection of Account Charge	\$	15.00
	\$	15.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	25.00
At Meter - After Hours	\$	150.00
Disconnect/Reconnect Charges (non payment of account)	\$	-
At Pole - During Regular Hours	\$	45.00
At Pole - After Hours	\$	300.00
	\$	-
	\$	-

SHEET 3 - Calculating Rate Increases using 2002 LDC Data and adding the 4 major 2004 RSVA related Approved

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Fort Erie
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

This schedule requires LDCs to input the 2002 statistics which will be used to allocate Regulatory Assets related to the 4 major RSVA accounts.
The 4 RSVA related accounts will be allocated to the customer classes on the basis of kWh sales.

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72.
If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regulatory Assets applied for,

enter the additional interim approved amount on Sheet 5.

\$ (367,838.18)

Use the Table below to enter the 2002 statistics for your LDC.
The share of class kWh sold in 2002 is used to allocate the approved final Regulatory Asset amounts related to the 4 major RSVA accounts.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS						
GENERAL SERVICE <50 KW CLASS	-	115,599,918	13,565	\$3,467,982.00	40.3%	\$ (148,197.37)
GENERAL SERVICE >50 KW NON TIME OF USE	-	43,370,410	1,217	\$1,009,542.00	15.1%	\$ (55,600.22)
GENERAL SERVICE >50 KW TIME OF USE	317,578	124,576,619	149	\$2,184,974.00	43.4%	\$ (159,705.37)
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -
STREET LIGHTING CLASS	2,495	929,256	118	\$12,029.80	0.3%	\$ (1,191.29)
TOTALS	6,877	2,452,394	2,851	\$16,463.80	0.9%	\$ (3,143.93)
		286,928,597	17,900	\$6,690,991.60	1.00	\$ (367,838.18)
				Allocated Total for 4 major RSVA accounts ==>		\$ (367,838.18)

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	\$ (148,197.37)	\$ -	\$ (148,197.37)
(B) RETAIL kWh in 2002	115,599,918		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.001282)		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
ALLOCATED 4 Major RSVA Account Recovery	\$ (55,600.22)	\$ -	\$ (55,600.22)

(Total in Cell G23 above)

(B) RETAIL kWh in 2002

43,370,410

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (\$0.001282)
(this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above)	\$ (159,705.37)	\$ -	\$ (159,705.37)
(B) RETAIL KW in 2002	317,578		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.502885)		

General Service >50kW Class TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	\$ (1,191.29)	\$ -	\$ (1,191.29)
(B) RETAIL KW in 2002	2,495		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.477472)		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G29 above)	\$ (3,143.93)	\$ -	\$ (3,143.93)
(B) RETAIL KW in 2002	6,877		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.457166)		

Regulatory Assets

SHEET 4 - 2004 Rates including 2004 Recovery of the 4 Major RSVA Accounts

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Fort Erie
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of the 4 major RSVA accounts.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0058
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.0013
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0191
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.1067
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.3854
MONTHLY SERVICE CHARGE (Per Connection)	\$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.4775
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.0294
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.4572
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SHEET 5 - Calculating Rate Increases using 2002 LDC Data and additional Interim Regulatory Assets

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Fort Erie
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate interim approved Regulatory Asset amounts required to achieve the 25% threshold. (If the 4 major RSVA accounts do not total to 25% or more of total Regulatory Assets applied for.)

The interim Regulatory Assets will be allocated to the customer classes on the basis of distribution revenue.

Enter the Interim Regulatory Asset recovery from Sheet 1 at cell D76.

\$ 752,974.64

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS						
GENERAL SERVICE <50 KW CLASS	-	115,599,918	13,565	\$3,467,982.00	51.8%	\$ 390,271.37
GENERAL SERVICE >50 KW NON TIME OF USE	-	43,370,410	1,217	\$1,009,542.00	15.1%	\$ 113,609.40
GENERAL SERVICE >50 KW TIME OF USE	317,578	124,576,619	149	\$2,184,974.00	32.7%	\$ 245,887.32
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -
STREET LIGHTING CLASS	2,495	929,256	118	\$12,029.80	0.2%	\$ 1,353.78
TOTALS	6,877	2,452,394	2,851	\$16,463.80	0.2%	\$ 1,852.76
		286,928,597	17,900	\$6,690,991.60	1.00	\$ 752,974.64
		Allocated Total for additional interim amounts ==>				\$ 752,974.64

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	\$ 390,271.37	\$ -	\$ 390,271.37
(B) RETAIL kWh in 2002	115,599,918		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.003376		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery	\$ 113,609.40	\$ -	\$ 113,609.40

(Total in Cell G23 above)

(B) RETAIL kWh in 2002 43,370,410

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) \$0.002620
(this amount is added to the kWh rate shown on Sheet 2 and
the new rate appears on the Rate Schedule on Sheet 4)

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	\$ 245,887.32	\$ -	\$ 245,887.32
(B) RETAIL KW in 2002	317,578		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.774258		

General Service >50kW Class TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G28 above)	\$ 1,353.78	\$ -	\$ 1,353.78
(B) RETAIL KW in 2002	2,495		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.542597		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G29 above)	\$ 1,852.76	\$ -	\$ 1,852.76
(B) RETAIL KW in 2002	6,877		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.269414		

SHEET 6 - 2004 Rates including 2004 Recovery of Interim Regulatory Asset Amounts

NAME OF UTILITY	Canadian Niagara Power Inc. - Fort Erie	LICENCE NUMBER	ED-1999-0160
NAME OF CONTACT	Timothy B. Curtis	PHONE NUMBER	(905) 994-3632
Mail Address	tim.curtis@fortisontario.com		
VERSION NUMBER	1		
Date	23-Jan-04		

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of interim Regulatory Asset Amounts if required to achieve the 25% Regulatory Asset threshold.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0092
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0021
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0217
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.8810
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.9280
MONTHLY SERVICE CHARGE (Per Connection)	\$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0651
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2988
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.1878
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SHEET 7 - Calculating Rate Increases using 2002 LDC Data and the 2004 PILs Proxy

NAME OF UTILITY
NAME OF CONTACT
ail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Fort Erie
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER
PHONE NUMBER

ED-1999-0160
(905) 994-3632

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate the 2004 PILs proxy amount.
The PILs proxy amount is the same amount used for the PILs proxy in 2002.

The 2004 PILs Proxy will be allocated to the customer classes on the basis of distribution revenue.

Enter the 2002 PILs proxy amount as approved by the OEB in 2002 and shown on your 2002 RAM model at Sheet 8.

\$ (101,678.00)

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS						
GENERAL SERVICE <50 KW CLASS	-	115,599,918	13,565	\$3,467,982.00	51.8%	\$ (52,700.33)
GENERAL SERVICE >50 KW NON TIME OF USE	-	43,370,410	1,217	\$1,009,542.00	15.1%	\$ (15,341.26)
GENERAL SERVICE >50 KW TIME OF USE	317,578	124,576,619	149	\$2,184,974.00	32.7%	\$ (33,203.42)
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -
STREET LIGHTING CLASS	2,495	929,256	118	\$12,029.80	0.2%	\$ (182.81)
	6,877	2,452,394	2,851	\$16,463.80	0.2%	\$ (250.19)
TOTALS		286,928,597	17,900	\$6,690,991.60	1.00	\$ (101,678.00)
		Allocated Total for additional interim amounts ==>				\$ (101,678.00)

Residential Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above)	\$ (52,700.33)	\$ -	\$ (52,700.33)
(B) RETAIL kWh in 2002	115,599,918		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B)	(\$0.000456)		
(this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)			

General Service <50kW Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G23 above)	\$ (15,341.26)	\$ -	\$ (15,341.26)

(B) RETAIL kWh in 2002 43,370,410

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (\$0.000354)
 (this amount is added to the kWh rate shown on Sheet 2 and
 the total new rate appears on the Rate Schedule on Sheet 4)

General Service >50kW Class Non TOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G24 above)	\$ (33,203.42)	\$ -	\$ (33,203.42)
(B) RETAIL KW in 2002	317,578		

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (\$0.104552)
 (this amount is added to the kW rate shown on Sheet 2 and
 the total new rate appears on the Rate Schedule on Sheet 4)

General Service >50kW Class TOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Intermediate Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

User Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G28 above)	\$ (182.81)	\$ -	\$ (182.81)
(B) RETAIL KW in 2002	2,495		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.073270)		

Sentinel Lighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G29 above)	\$ (250.19)	\$ -	\$ (250.19)
(B) RETAIL KW in 2002	6,877		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.036380)		

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY Canadian Niagara Power Inc. - Fort Erie
NAME OF CONTACT Timothy B. Curtis
E-mail Address tim.curtis@fortisontario.com
VERSION NUMBER 1
Date 23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 994-3632

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of 2004 PILs.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0087
MONTHLY SERVICE CHARGE (Per Customer) \$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0016
MONTHLY SERVICE CHARGE (Per Customer) \$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0214
MONTHLY SERVICE CHARGE (Per Customer) \$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$6.7764
MONTHLY SERVICE CHARGE (Per Customer) \$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE #DIV/0!
MONTHLY SERVICE CHARGE (Per Customer) \$0.00

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!
MONTHLY SERVICE CHARGE (Per Customer) \$0.00

LARGE USE

DISTRIBUTION KW RATE #DIV/0!
MONTHLY SERVICE CHARGE (Per Customer) \$0.00

STREET LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.8548
MONTHLY SERVICE CHARGE (Per Connection) \$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.0081
1. HLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2625
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.2241
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY

Canadian Niagara Power Inc. - Fort Erie

LICENCE NUMBER

ED-1999-0160

NAME OF CONTACT

Timothy B. Curtis

PHONE NUMBER

(905) 994-3632

Mail Address

tim.curtis@fortisontario.com

VERSION NUMBER

1

Date

23-Jan-04

This sheet adjusts the resulting fixed Monthly Service Charge to maintain the charge at current levels. The kWh distribution rate is then adjusted to maintain revenue neutrality in the class.

Input the current approved Monthly Service Charge in the following table at Column E.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Current Approved Fixed Charge
RESIDENTIAL CLASS				
GENERAL SERVICE <50 KW CLASS	-	115,599,918	13,565	\$17.94
GENERAL SERVICE >50 KW NON TIME OF USE	-	43,370,410	1,217	\$15.62
GENERAL SERVICE >50 KW TIME OF USE	317,578	124,576,619	149	\$105.22
INTERMEDIATE USE	0	0	0	\$0.00
LARGE USER CLASS	0	0	0	\$0.00
SENTINEL LIGHTS	0	0	0	\$0.00
STREET LIGHTING CLASS	2,495	929,256	118	\$1.82
	6,877	2,452,394	2,851	\$1.20
TOTALS		286,928,597	17,900	

Residential Class

Revenue from Current Monthly Service Charge			\$2,920,273
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$2,882,834
Difference			\$37,439
Variable Rate Adjustment	\$/kWh	\$	0.0003
Adjusted Variable Rate	\$/kWh		\$ 0.0084

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge			\$2,920,273
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$2,882,834
Difference			\$37,439
Variable Rate Adjustment	\$/kWh	\$	0.0003
Adjusted Variable Rate	\$/kWh		\$ 0.0013

General Service <50 kW Class

Revenue from Current Monthly Service Charge			\$228,114
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$225,778
Difference			\$2,337
Variable Rate Adjustment	\$/kWh	\$	0.0001
Adjusted Variable Rate	\$/kWh		\$ 0.0213

General Service >50 kW Class (Non Time of Use)

Revenue from Current Monthly Service Charge			\$188,133
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$186,006
Difference			\$2,128

Variable Rate Adjustment	\$/kW	\$	0.0067
Adjusted Variable Rate	\$/kW	\$	6.7697

General Service >50 kW Class (Time of Use)

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!
Adjusted Variable Rate	\$/kW	#DIV/0!

General Service Intermediate Use Class

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!
Adjusted Variable Rate	\$/kW	#DIV/0!

General Service Large Use Class

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!
Adjusted Variable Rate	\$/kW	#DIV/0!

General Service Residential Lights (Non Time of Use)

Revenue from Current Monthly Service Charge	\$2,577
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$2,535
Difference	\$42

Variable Rate Adjustment	\$/kW	0.017026052
Adjusted Variable Rate	\$/kW	\$ 1.8377

OR

General Service Residential Lights (Time of Use)

Revenue from Current Monthly Service Charge	\$2,577
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$2,577

Variable Rate Adjustment	\$/kW	1.032913828
Adjusted Variable Rate	\$/kW	\$ (1.0411)

General Service Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge	\$41,054
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$40,712
Difference	\$342

Variable Rate Adjustment	\$/kW	0.0497
Adjusted Variable Rate	\$/kW	\$ 1.2127

OR

General Service Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge	\$41,054
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0

Difference

\$41,054

Variable Rate Adjustment
Adjusted Variable Rate

\$/kW
\$/kW

5.97

\$ (6.1939)

Canadian Niagara Power Inc. - Fort Erie
Schedule of Distribution Rates and Charges

Effective April 1, 2004 until February 28, 2005

RP-2004-0032

EB-2004-0018

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.94
Distribution Volumetric Rate	(per kWh)	\$0.0084

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.62
Distribution Volumetric Rate	(per kWh)	\$0.0213

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$105.22
Distribution Volumetric Rate	(per kW)	\$6.7697

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$105.22
Distribution Volumetric Rate	(per kW)	\$6.7697

UNMETERED SCATTERED LOAD

Monthly Service Charge	(per month)	\$15.62
Distribution Volumetric Rate	(per kWh)	\$0.0213

Canadian Niagara Power Inc. - Fort Erie
Schedule of Distribution Rates and Charges
Effective April 1, 2004 until February 28, 2005
(continued)

RP-2004-0032
EB-2004-0018

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.82
Distribution Volumetric Rate	(per kW)	\$1.8377

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$1.20
Distribution Volumetric Rate	(per kW)	\$1.2127

SPECIFIC SERVICE CHARGES

New Account Setup	\$	15.00
Change of Occupancy	\$	15.00
Account History		
Administration Fee	\$	10.00
Archived Record		\$20.00/hr
Arrear's Certificate	\$	10.00
Late Payment	\$	1.50%
Returned Cheque	\$	15.00
Collection of Account Charge	\$	15.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	25.00
At Meter - After Hours	\$	150.00
Disconnect/Reconnect Charges (non payment of account)	\$	-
At Pole - During Regular Hours	\$	45.00
At Pole - After Hours	\$	300.00

2004 OEB DECISION

Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

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



March 16, 2004

Doug Bradbury
Director, Regulatory Affairs
Canadian Niagara Power Inc.
1130 Bertie Street
P.O. Box 1218
Fort Erie ON
L2A 5Y2

Dear Mr. Bradbury:

**Re: Distribution Rate Application - Fort Erie
Board Decision and Order and Interim Rate Schedule**

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

Yours truly,

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0032
EB-2004-0018

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 Canadian
Niagara Power Inc. for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate evidence had not been filed on these amounts. The Board is not convinced by SEC's

arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.
- 2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 16, 2004

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read 'P. O'Dell', with a long horizontal line extending from the bottom of the signature.

Peter H. O'Dell
Assistant Secretary

Interim Rates
Canadian Niagara Power Inc. - Fort Erie
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0032

EB-2004-0018

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.94
Distribution Volumetric Rate	(per kWh)	\$0.0084

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.62
Distribution Volumetric Rate	(per kWh)	\$0.0213

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$105.22
Distribution Volumetric Rate	(per kW)	\$6.7697

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.82
Distribution Volumetric Rate	(per kW)	\$1.8377

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.20
Distribution Volumetric Rate	(per kW)	\$1.2127

UNMETERED SCATTERED LOAD

Monthly Service Charge	(per month)	\$15.62
Distribution Volumetric Rate	(per kWh)	\$0.0213

2005 RAM MODEL

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM. Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	\$0.0071
Monthly Service Charge (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0204
Monthly Service Charge (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$6.6096
Monthly Service Charge (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

Distribution KW Rate

Monthly Service Charge (Per Customer)

LARGE USE

Distribution KW Rate

Monthly Service Charge (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate

\$1.8629

Monthly Service Charge (Per Connection)

\$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate

\$1.4866

Monthly Service Charge (Per Connection)

\$1.19

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
Email Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Enter the final MARR installment calculated in the 2001 RUD Model \$ -

Have you applied for approval of your C&DM plan? No

Enter the amount applied for your C&DM plan \$0.00

Has the C&DM application been approved? No

Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount) \$ -

Grossed-up MARR based on 14 months recovery over 13 months. \$ -

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
 1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
 You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class						
General Service < 50 KW Class						\$0
General Service > 50 KW Non-Time of Use						\$0
General Service > 50 KW Time of Use						\$0
Intermediate Use						\$0
Class User						\$0
Panel Lights						\$0
Street Lighting						\$0
TOTALS	0	0	0	\$0	0.00%	\$0
Grossed-up MARR Value =====>						\$0

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	21.0%	79.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	0		
(E) Number of Customers		0	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(F)/12		\$0.0000	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	77.0%	23.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kWh	0		
(E) Number of Customers		0	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	93.5%	6.5%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	20.2%	79.8%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	20.2%	79.8%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Residential Class

DISTRIBUTION KWH RATE	\$0.0071
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

General Service < 50 KW

DISTRIBUTION KWH RATE	\$0.0204
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	\$6.6096
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

Intermediate Use

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Large Use

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE \$1.8629

MONTHLY SERVICE CHARGE (Per Connection) \$1.79

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE \$1.4866

MONTHLY SERVICE CHARGE (Per Connection) \$1.19

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
Email Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount

\$ (122,747.00)

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2004 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2004 Distribution Shares	2005 PILs Proxy Allocation
Residential Class		106,991,262	13,825	\$3,742,731	52.1%	-\$63,914
General Service < 50 KW Class		36,191,124	1,353	\$987,932	13.7%	-\$16,871
General Service > 50 KW Non-Time of Use	317,578	101,322,626	132	\$2,428,817	33.8%	-\$41,476
General Service > 50 KW Time of Use					0.0%	\$0
Intermediate Use					0.0%	\$0
Large Class User					0.0%	\$0
Sentinel Lights	2,495	929,256	118	\$12,030	0.2%	-\$205
Street Lighting	5,262	1,822,204	2,651	\$16,463	0.2%	-\$281
TOTALS		247,256,472	18,279	\$7,187,973	1.00	-\$122,747
				2005 PILs Proxy Amount =====>		-\$122,747

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			-\$63,914
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	-\$63,914	\$0	-\$63,914
(D) Number of kWh	106,991,262		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0006		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			-\$16,871
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	-\$16,871	\$0	-\$16,871
(D) Number of kWh	36,191,124		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0005		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			-\$41,476
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	-\$41,476	\$0	-\$41,476
(D) Number of kW	317,578		
(E) Incremental Distribution kW Rate (\$/kW)	-\$0.1306		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			-\$205
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	-\$205	\$0	-\$205
(D) Number of kW	2,495		
(E) Incremental Distribution kW Rate (\$/kW)	-\$0.0823		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			-\$281
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	-\$281	\$0	-\$281
(D) Number of kW	5,262		
(E) Incremental Distribution kW Rate (\$/kW)	-\$0.0534		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0065
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0199
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.4790
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.7806

MONTHLY SERVICE CHARGE (Per Connection) \$1.79

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.4332

MONTHLY SERVICE CHARGE (Per Connection) \$1.19

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 6 - December 31, 2004 Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E-Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

LDCs should enter their December 3, 2003 balances for each regulatory asset account.
 In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10.
 In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied- for Balance as at Dec. 31, 2004
RSVA - Wholesale Market Service Charge	1580	\$546,085
RSVA - One-time Wholesale Market Service	1582	\$42,425
RSVA - Retail Transmission Network Charge	1584	-\$1,773,684
RSVA - Retail Transmission Connection Charge	1586	-\$1,882,277
RSVA - Power	1588	\$133,785
Sub-Total for RSVA Accounts		-\$2,933,665
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		-\$367,838
Adjusted 2005 Recovery Amount (RSVA Accounts)		-\$2,565,827
Other Regulatory Assets	1508	
Retail Cost Variance Account - Retail	1518	
Retail Cost Variance Account - STR	1548	
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$20,727
Deferred Payments in Lieu of Taxes	1562	
<i>PILs Contra Account</i>	1563	
Qualifying Transition Costs	1570	\$1,540,726
Pre-Market Opening Energy Variances Total	1571	
Extra-Ordinary Event Losses	1572	\$221,718
Deferred Rate Impact Amounts	1574	
Other Deferred Credits	2425	
Sub-Total for Non-RSVA Regulatory Asset Accounts		\$1,783,170
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		\$752,975
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		\$1,030,195
Total Adjusted Regulatory Assets		-\$1,535,632
73% of Total Adjusted Regulatory Assets		-\$511,877.17

SHEET 6 - December 31, 2004 Regulatory Assets

----- Please go to Section 2 -----

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:

Total Adjusted Balance for RSVA Accounts	(a)	N/A
33% of Total Adjusted Regulatory Assets	(b)	N/A
Remaining Final Amount to be recovered in future periods (a) - (b)		N/A

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:

33% OF Total Adjusted Regulatory Assets		-\$511,877
Total Adjusted Balance for RSVA Accounts		-\$2,565,827
Amount to be collected from RSVA Accounts		-\$2,565,827
Amount to be collected from Non-RSVA accounts	90% of non-RSVA	\$927,176

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

☒ YES ☐ NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

☐ YES ☐ NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
Email Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ (2,565,826.96)

The share of class kWh sold in 2004 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2004 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2004 kWh Shares	2004 RSVA Allocations
Residential Class	0	106,991,262	13,825	\$3,742,731	43.3%	-\$1,110,268
General Service < 50 KW Class	0	36,191,124	1,353	\$987,932	14.6%	-\$375,562
General Service > 50 KW Non-Time of Use	317,578	101,322,626	132	\$2,428,817	41.0%	-\$1,051,444
General Service > 50 KW Time of Use	0	0	0	\$0	0.0%	\$0
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	2,495	929,256	118	\$12,030	0.4%	-\$9,643
Street Lighting	5,262	1,822,204	2,851	\$16,463	0.7%	-\$18,909
TOTALS		247,256,472	18,279	\$7,187,972.80	1.00	-\$2,565,827
						Allocated Total for RSVA accounts =====> -\$2,565,827

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-\$1,110,268
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$1,110,268	\$0	-\$1,110,268
(D) Number of kWh	106,991,262		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0104		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-\$375,562
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$375,562	\$0	-\$375,562
(D) Number of kWh	36,191,124		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0104		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-\$1,051,444
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$1,051,444	\$0	-\$1,051,444
(D) Number of kW	317,578		
(E) Incremental Distribution kW Rate (\$/kW)	-\$3.3108		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-\$9,643
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$9,643	\$0	-\$9,643
(D) Number of kW	2,495		
(E) Incremental Distribution kW Rate (\$/kW)	-\$3.8650		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-\$18,909
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$18,909	\$0	-\$18,909
(D) Number of kW	5,262		
(E) Incremental Distribution kW Rate (\$/kW)	-\$3.5936		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Point of Contact:	Douglas Bradbury	EB-2005-0013
E-mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2)

\$ 927,175.91

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class	0	106,991,262	13,825	\$3,742,731	52.1%	\$482,775
General Service < 50 KW Class	0	36,191,124	1,353	\$987,932	13.7%	\$127,433
General Service > 50 KW Non-Time of Use	317,578	101,322,626	132	\$2,428,817	33.8%	\$313,293
General Service > 50 KW Time of Use	0	0	0	\$0	0.0%	\$0
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	2,495	929,256	118	\$12,030	0.2%	\$1,552
Street Lighting	5,262	1,822,204	2,851	\$16,463	0.2%	\$2,124
TOTALS		247,256,472	18,279	\$7,187,973	1.00	\$927,176
Allocated Total for Non-RSVA accounts =====>						\$927,176

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$482,775
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$482,775	\$0	\$482,775
(D) Number of kWh	106,991,262		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0045		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$127,433
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$127,433	\$0	\$127,433
(D) Number of kWh	36,191,124		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0035		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$313,293
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$313,293	\$0	\$313,293
(D) Number of kW	317,578		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.9865		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$1,552
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$1,552	\$0	\$1,552
(D) Number of kW	2,495		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.6219		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$2,124
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$2,124	\$0	\$2,124
(D) Number of kW	5,262		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.4036		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0006
MONTHLY SERVICE CHARGE (Per Customer)	\$17.71

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0131
MONTHLY SERVICE CHARGE (Per Customer)	\$15.46

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$4.1547
MONTHLY SERVICE CHARGE (Per Customer)	\$104.03

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Canadian Niagara Power Inc. (Fort Erie)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0013
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery
- Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class	
General Service < 50 KW Class	
General Service > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	

Canadian Niagara Power Inc. (Fort Erie)
RP-2005-0013 EB-2005-0013
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.71
Distribution Volumetric Rate	(per kWh)	\$0.0006

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0131

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$104.03
Distribution Volumetric Rate	(per kW)	\$4.1547

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.79	
Distribution Volumetric Rate	(per kW)	\$1.7806	
Rate Rider	(per kW)	see rate schedule	-\$3.2430

Canadian Niagara Power Inc. (Fort Erie)
 RP-2005-0013 EB-2005-0013
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$1.19
Distribution Volumetric Rate	(per kW)	\$1.4332
Rate Rider	(per kW)	see rate schedule

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

UNMETERED SCATTERED LOADS

Monthly Service Charge	(per month)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0174

"FINAL"

SECTION 93 PILs TAX GROSS-UP		PROXY CALCULATION FOR 2005		PILS2005.V1.1	
REGULATORY INFORMATION (REGINFO)					
Utility Name:		CANADIAN NIAGARA POWER Inc. (Port Colborne Operations)			
File Number:		RP-2005-0013			
		EB-2005-0014			
Reporting period:		January 1, 2005 - December 31, 2005			
Days in reporting period:		365			
Total days in the calendar year:		365			
BACKGROUND					
1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)		NO			
2. Please identify the percentage used to allocate the exemption.					
3. Please explain the basis of the allocation if the percentage is other than 100%.					
4. Accounting Year End		31-Dec-05			
MARR NO TAX CALCULATIONS FROM SHEET #7 FINAL 2001 RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)					
Rate base (wires-only)		\$10,728,080.00			
Common Equity Ratio (CER)		50.00%			
1-CER		50.00%			
Target Return On Equity (%)		9.88%			
Debt rate		7.25%			
				Regulatory Income	
Market Adjusted Revenue Requirement		\$918,860			
1999 return from RUD Sheet #7		\$441,219		\$441,219	
Total Incremental revenue		\$477,641			
		<i>Based on Board's Decision (RP-2000-0069)</i>		<i>Board-Approved Amounts</i>	
Amount allowed in 2001, Year 1		\$159,214		\$211,450	
Amount allowed in 2002, Year 2		\$159,214		\$159,214	
Amount allowed in 2003, Year 3		\$159,214		\$159,214	
Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)		\$0		\$0	
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet					
Total Regulatory Income				\$971,096	
Equity		\$5,364,040			
Return at target ROE		\$529,967			
Debt		\$5,364,040			
Deemed interest amount in EBIT		\$388,893			

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: CANADIAN NIAGARA POWER Inc. (Port Colborne)				
Reporting Period: January 1, 2005 - December 31, 2005				
Days in Reporting Period: 365				
Total days in the calendar year: 365			\$	
I) CORPORATE INCOME TAXES				
Regulatory Net Income		1	\$971,096	
BOOK TO TAX ADJUSTMENTS				
Additions:				
Depreciation & Amortization		2	\$554,616	
Employee Benefit Plans - Accrued, Not Paid		3	\$0	
Tax reserves deducted in prior year		4	\$0	
Reserves from financial statements-end of year		4	\$0	
Regulatory Adjustments		5	\$0	
Other Additions				
"Material" Items		6	\$0	
Other Additions		6	\$0	
"Material" Items		6	\$0	
Other Additions		6	\$0	
Deductions:				
Capital Cost Allowance and CEC		7	\$349,339	
Employee Benefit Plans - Paid Amounts		8	\$0	
Assets Capitalized for Regulatory Purposes		9	\$0	
Regulatory Adjustments		10	\$0	
Interest Expense Deemed		11	\$388,893	
Tax reserves claimed in current year		4	\$0	
Reserves from F/S beginning of year		4	\$0	
Contributions to deferred income plans		3	\$0	
Contributions to pension plans		3	\$0	
Interest capitalized for accounting but deducted for tax		11	\$0	
Other Deductions				
"Material" Items		12	\$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan		12	\$23,349	
Material Items		12	\$0	
Other Deductions		12	\$0	
REGULATORY TAXABLE INCOME			\$764,131	
CORPORATE INCOME TAX RATE				
Deemed %		13	27.50%	
REGULATORY INCOME TAX			\$210,136	
Taxable Income x Rate				
Miscellaneous Tax Credits		14	\$0	
Total Regulatory Income Tax			\$210,136	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: CANADIAN NIAGARA POWER Inc. (Port Colborne)				
Reporting Period: January 1, 2005 - December 31, 2005				
Days in Reporting Period: 365				
Total days in the calendar year: 365			\$	
Percentage used to determine the exemptions for capital tax and large corporations tax			0%	
II) CAPITAL TAXES				
<i>Ontario</i>				
Rate Base	15		\$10,728,080	
Less: Exemption	16		\$7,500,000	
Deemed Taxable Capital			\$3,228,080	
Rate (.3%)	17		0.3000%	
Net Amount (Taxable Capital x Rate)			\$9,684	
<i>Federal (LCT)</i>				
Base	18		\$10,728,080	
Less: Exemption	19		\$50,000,000	
Deemed Taxable Capital			\$0	
Rate (.175%)	20		0.1750%	
Gross Amount (Taxable Capital x Rate)			\$0	
Less: Federal Surtax	21		\$0	
Net LCT			\$0	
III) INCLUSION IN RATES				
Income Tax Rate used for gross- up			27.50%	
Income Tax (grossed-up)	22		\$289,843	
LCT (grossed-up)	23		\$0	
Ontario Capital Tax	24		\$9,684	
Total S. 93 PILs Rate Adjustment (Enter this amount in the 2005 RAM, Sheet #4, cell G14)		25	\$299,527	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	\$0 to \$400,000	\$400,001 to \$1,128,000	> \$1,128,000
<i>Income Tax Rate</i>	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	\$7,500,000		
Federal Large Corporations Tax Exemption	\$50,000,000		

2005 OEB DECISION



RP-2005-0013
EB-2005-0013

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
**Canadian Niagara Power Inc. - Fort Erie Service
Territory** for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

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

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

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

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

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

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: \$ 0

2005 Tax Proxy: -\$ 122,747

Regulatory Assets Second Tranche: -\$ 511,877

The 2005 tax proxy refers to the Board's Decision and Order (RP-2002-0059/EB-2002-0068) that requires the Applicant to reduce its 2002 tax amount by \$122,747. With this adjustment, the Applicant has applied to collect through rates a total of \$711,994 in taxes.

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board adjusted the application for the recovery of non-RSVA regulatory assets as the applied-for recovery was in excess of the non-RSVA total reported by the Applicant. Therefore, the Board deems it appropriate to limit the recovery of non-RSVAs to 90% of the total adjusted amount reported by the Applicant. This is a deferral of \$103,020.

As a result, the Board has made adjustments to the amounts applied for resulting in the following approved amounts:

MARR: \$ 0

2005 Tax Proxy: -\$ 122,747

Regulatory Assets Second Tranche: -\$ 1,638,651

Subject to these adjustments, the Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.
- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 31, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0013

March 31, 2005

ONTARIO ENERGY BOARD

Canadian Niagara Power Inc. - Fort Erie
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0013

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

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.71
Distribution Volumetric Rate	(per kWh)	\$0.0006

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0131

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$104.03
Distribution Volumetric Rate	(per kW)	\$4.1547

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.79
Distribution Volumetric Rate	(per kW)	\$1.7806
Rate Rider	(per kW)	-\$3.2430

STREET LIGHTING (Non Time of Use or TOU)

Monthly Service Charge	(per connection)	\$1.19
Distribution Volumetric Rate	(per kW)	\$1.4332
Rate Rider	(per kW)	-\$3.1900

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

Monthly Service Charge	(per connection)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0174

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

Canadian Niagara Power Inc. - Fort Erie
Schedule of Changed Distribution Rates and Charges

RP-2005-0013

EB-2005-0013

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

RESIDENTIAL

Monthly Service Charge	(per month)	\$17.71
Distribution Volumetric Rate	(per kWh)	\$0.0046

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0162

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$104.03
Distribution Volumetric Rate	(per kW)	\$5.0301

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.79
Distribution Volumetric Rate	(per kW)	\$1.7806
Rate Rider	(per kW)	-\$3.2430

STREET LIGHTING (Non Time of Use or TOU)

Monthly Service Charge	(per connection)	\$1.19
Distribution Volumetric Rate	(per kW)	\$1.4332
Rate Rider	(per kW)	-\$3.1900

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

Monthly Service Charge	(per connection)	\$15.46
Distribution Volumetric Rate	(per kWh)	\$0.0162

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

OCTOBER 2001 – FEBRUARY 2002 PILS RECOVERIES

2002 Rate Year

Effective Date
Conclusion Date

Oct. 1, 2001
Feb. 28, 2002

Rate Class	PILS Adders	
	Fixed	Variable
Residential	\$ 2.1685	\$ 0.0009
General Service < 50 kW	\$ 1.8921	\$ 0.0025
General Service > 50 kW	\$ 12.7363	\$ 0.8092
Sentinel Lights	\$ 0.2199	\$ 0.2281
Street Lights	\$ 0.1447	\$ 0.1820

Customer Counts

Rate Class	2001			2002		
	Oct	Nov	Dec	Jan	Feb	Mar
Residential	13,183	13,183	13,183	13,183	13,183	13,324
General Service < 50 kW	1,161	1,161	1,161	1,161	1,161	1,151
General Service > 50 kW	113	113	113	113	113	116
Sentinel Lights	862	862	862	862	862	862
Street Lights	3,020	3,020	3,020	3,020	3,020	3,020

Billing Determinants

Rate Class	2001			2002		
	Oct	Nov	Dec	Jan	Feb	Mar
Residential	8,845,991	9,027,687	10,004,611	10,468,267	9,372,669	9,606,491
General Service < 50 kW	3,292,883	3,360,518	3,724,174	3,896,768	3,488,936	3,575,975
General Service > 50 kW	20,248	22,716	24,405	28,952	26,785	25,779
Sentinel Lights	174	195	209	248	230	221
Street Lights	458	514	553	656	606	584

Calculated PILS Revenue

Rate Class	2001			2002		
	Oct	Nov	Dec	Jan	Feb	Mar
Residential	18,120	36,397	37,242	37,644	36,696	18,602
General Service < 50 kW	5,225	10,620	11,531	11,964	10,942	5,571
General Service > 50 kW	8,912	19,821	21,187	24,867	23,113	11,169
Sentinel Lights	115	234	237	246	242	120
Street Lights	260	531	538	556	547	272
Total	32,632	67,603	70,736	75,277	71,540	35,733

MARCH 2002 – FEBRUARY 2004 PILS RECOVERIES

2002 Rate Year

Effective Date	Mar. 1, 2002
Conclusion Date	Feb. 29, 2004

Rate Class	PILS Rate Adders	
	Fixed	Variable
Residential	\$ 1.8309	\$ 0.0007
General Service < 50 kW	\$ 1.6510	\$ 0.0022
General Service > 50 kW	\$ 10.9893	\$ 0.7081
Sentinel Lights	\$ 0.1894	\$ 0.1964
Street Lights	\$ 0.1252	\$ 0.1574

Customer Counts

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	13,324	13,351	13,362	13,377	13,390	13,412	13,425	13,445	13,460	13,476
General Service < 50 kW	1,151	1,150	1,153	1,154	1,158	1,157	1,156	1,156	1,160	1,172
General Service > 50 kW	116	119	111	121	120	117	121	121	124	127
Sentinel Lights	862	862	862	862	862	862	862	862	862	862
Street Lights	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020

Billing Determinants

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	9,606,491	8,769,514	8,828,857	9,351,664	11,011,892	10,876,413	9,435,860	8,845,991	9,027,687	10,004,611
General Service < 50 kW	3,575,975	3,264,414	3,286,504	3,481,117	4,099,130	4,048,699	3,512,459	3,292,883	3,360,518	3,724,174
General Service > 50 kW	25,779	24,058	24,927	27,349	28,840	27,536	21,793	20,248	22,716	24,405
Sentinel Lights	221	206	214	235	247	236	187	174	195	209
Street Lights	584	545	564	619	653	623	493	458	514	553

Calculated PILS Revenue

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	15,685	30,812	30,875	31,282	32,512	32,453	31,431	31,040	31,199	31,938
General Service < 50 kW	4,951	9,203	9,257	9,694	11,084	10,969	9,768	9,276	9,434	10,268
General Service > 50 kW	9,764	18,343	18,870	20,695	21,740	20,783	16,760	15,667	17,448	18,676
Sentinel Lights	103	204	205	209	212	210	200	197	202	204
Street Lights	235	464	467	476	481	476	456	450	459	465
Total	30,738	59,025	59,675	62,356	66,028	64,892	58,615	56,630	58,742	61,551

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
13,479	13,491	13,668	13,674	12,598	12,586	13,668	13,632	13,561	13,617	13,647	13,663	13,679	13,681	13,696
1,173	1,173	1,327	1,326	1,112	1,112	1,317	1,325	1,315	1,315	1,316	1,316	1,328	1,334	1,332
127	127	124	130	98	98	134	133	133	134	134	134	134	135	135
862	862	862	862	862	862	862	862	862	862	862	862	862	862	862
3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
10,159,969	9,096,638	9,323,573	8,511,246	8,320,688	8,516,758	9,947,658	10,216,797	8,696,219	8,720,486	8,944,199	9,828,358	10,217,039	9,195,065	9,305,192
3,885,150	3,478,535	3,565,314	3,254,682	3,181,813	3,256,790	3,803,963	3,906,881	3,325,415	3,334,695	3,420,242	3,758,343	3,582,662	3,224,301	3,262,917
30,697	28,399	27,332	25,508	26,429	28,997	30,578	29,195	23,106	21,468	24,085	25,875	30,563	28,275	27,213
247	228	220	205	212	233	246	235	186	173	194	208	186	172	165
592	547	527	492	509	559	589	563	445	414	464	499	592	548	527

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
32,056	31,306	31,795	31,216	29,107	29,228	32,248	32,377	31,143	31,263	31,481	32,152	32,464	31,725	15,916
10,630	9,720	10,168	9,472	8,955	9,123	10,686	10,929	9,612	9,633	9,826	10,582	10,209	9,417	4,750
23,131	21,504	20,716	19,490	19,791	21,609	23,124	22,134	17,822	16,673	18,527	19,794	23,113	21,504	10,376
212	208	206	204	205	209	212	209	200	197	201	204	200	197	98
471	464	461	456	458	466	471	467	448	443	451	457	471	464	231
66,500	63,202	63,346	60,837	58,517	60,635	66,740	66,116	59,225	58,210	60,486	63,189	66,457	63,308	31,371

MARCH 2004 – FEBRUARY 2005 PILS RECOVERIES

2002 Rate Year

Effective Date
Conclusion Date

Mar. 1, 2004
Feb. 29, 2005

Rate Class	PILS Rate Adders	
	Fixed	Variable
Residential	\$ 2.1685	\$ 0.0004
General Service < 50 kW	\$ 1.8921	\$ 0.0022
General Service > 50 kW	\$ 12.7363	\$ 0.7046
Sentinel Lights	\$ 0.2199	\$ 0.1548
Street Lights	\$ 0.1447	\$ 0.1456

Customer Counts

Rate Class	2004										2005		
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	13,696	13,705	13,718	13,728	13,743	13,761	13,785	13,797	13,818	13,825	13,848	13,862	13,864
General Service < 50 kW	1,332	1,337	1,339	1,343	1,346	1,346	1,349	1,350	1,352	1,353	1,351	1,359	1,360
General Service > 50 kW	135	135	137	137	136	136	136	136	135	132	133	133	133
Sentinel Lights	862	862	862	862	862	862	862	862	862	862	862	862	862
Street Lights	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020

Billing Determinants

Rate Class	2004										2005		
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	9,305,192	8,287,927	8,288,769	8,430,386	9,322,995	9,410,246	8,842,085	8,278,941	8,567,136	9,654,513	10,277,740	9,082,849	9,643,506
General Service < 50 kW	3,262,917	2,906,208	2,906,503	2,956,162	3,269,160	3,299,755	3,100,526	2,903,057	3,004,114	3,385,409	3,659,126	3,233,716	3,433,324
General Service > 50 kW	27,213	25,397	26,314	28,871	30,445	30,708	28,410	24,813	27,430	31,516	30,960	30,292	29,049
Sentinel Lights	165	154	160	175	185	186	172	151	167	191	216	201	201
Street Lights	527	492	510	559	590	595	550	481	531	611	573	533	535

Calculated PILS Revenue

Rate Class	2004										2005		
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	16,753	33,110	33,138	33,218	33,616	33,690	33,510	33,306	33,469	33,929	34,234	33,776	17,005
General Service < 50 kW	4,772	8,785	8,790	8,904	9,584	9,650	9,226	8,803	9,025	9,847	10,433	9,532	4,982
General Service > 50 kW	10,447	19,615	20,287	22,088	23,185	23,370	21,751	19,216	21,047	23,889	23,510	23,039	11,082
Sentinel Lights	108	213	214	217	218	218	216	213	215	219	223	221	110
Street Lights	257	509	511	519	523	524	517	507	514	526	521	515	257
Total	32,337	62,232	62,941	64,946	67,126	67,453	65,221	62,045	64,271	68,410	68,920	67,082	33,436

MARCH 2005 – APRIL 2006 PILS RECOVERIES

2002 Rate Year

Effective Date
Conclusion Date

Mar. 1, 2005
Apr. 30, 2006

Rate Class	PILS Rate Adders	
	Fixed	Variable
Residential	\$ 2.1685	\$ 0.0003
General Service < 50 kW	\$ 1.8921	\$ 0.0020
General Service > 50 kW	\$ 12.7363	\$ 0.6786
Sentinel Lights	\$ 0.2199	\$ 0.1458
Street Lights	\$ 0.1447	\$ 0.1286

Customer Counts

Rate Class	2005										2006				
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	13,864	13,875	13,883	13,899	13,917	13,699	13,741	13,787	13,795	13,818	13,821	13,827	13,841	13,831	13,832
General Service < 50 kW	1,360	1,364	1,363	1,365	1,367	1,137	1,140	1,152	1,155	1,154	1,154	1,157	1,156	1,151	1,149
General Service > 50 kW	133	136	136	136	139	135	137	138	138	139	138	138	137	139	121
Sentinel Lights	862	862	862	862	862	862	862	862	862	862	862	862	862	862	862
Street Lights	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020	3,020

Billing Determinants

Rate Class	2005										2006				
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	9,643,506	8,350,094	8,293,932	10,144,529	10,915,853	10,827,351	9,140,133	8,747,956	8,957,444	10,057,726	9,665,208	9,069,434	9,538,999	8,330,911	9,070,295
General Service < 50 kW	3,433,324	2,972,837	2,952,843	3,611,700	3,886,310	3,854,802	3,254,110	3,114,486	3,189,069	3,580,796	3,274,383	3,072,546	3,231,626	2,822,349	2,981,397
General Service > 50 kW	29,049	27,848	24,984	31,577	32,882	32,615	28,451	26,351	27,882	30,297	26,796	26,431	25,791	23,152	45,028
Sentinel Lights	201	173	167	255	266	252	216	194	209	223	180	178	173	156	328
Street Lights	535	460	443	679	708	670	575	514	557	592	512	505	493	442	589

Calculated PILS Revenue

Rate Class	2005										2006				
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	16,310	32,302	32,304	32,829	33,073	32,577	32,220	32,216	32,289	32,631	32,533	32,388	32,543	32,201	16,200
General Service < 50 kW	4,731	8,546	8,504	9,830	10,384	9,886	8,686	8,429	8,584	9,368	8,754	8,354	8,672	7,841	4,078
General Service > 50 kW	10,703	20,630	18,686	23,160	24,084	23,852	21,051	19,639	20,678	22,330	19,941	19,693	19,246	17,481	16,048
Sentinel Lights	109	215	214	227	228	226	221	218	220	222	216	215	215	212	119
Street Lights	253	496	494	524	528	523	511	503	509	513	503	502	500	494	256
Total	32,107	62,188	60,202	66,570	68,298	67,064	62,690	61,005	62,280	65,064	61,946	61,153	61,176	58,229	36,701

PILS ENTITLEMENT SUMMARY

FORT ERIE

PILS Entitlement						
Year	Amount	Effective	Start Date	Effective	End Date	Monthly Amount
2001	\$ 834,741	October 1, 2001		February 28, 2002		\$ 69,562
2002	\$ 711,994	March 1, 2002		Dec. 31, 2002		\$ 59,333
2003	\$ 711,994	Jan. 1, 2003		Dec. 31, 2003		\$ 59,333
2004	\$ 711,994	Jan. 1, 2004		March 31, 2004		\$ 59,333
2004	\$ 733,063	April 1, 2004		March 31, 2005		\$ 61,089
2005	\$ 711,994	April 1, 2005		Apr. 30, 2006		\$ 59,333

DETERMINATION OF PILS SLIVERS

**Fort Erie Distribution Rate Breakdown
Determination of PILS Rate Slivers**

Initial Unbundled Rates

PILS Included in rates **834,741.32**

<u>Customer Class</u>	(Sheet 8) <u>Percent of Distribution Revenue</u>	(Sheet 14) <u>Fixed / Variable %</u>		<u>Fixed / Variable \$</u>		(Sheet 14) <u>Billing Derminants</u>		<u>PILS Rate Adders</u>	
		<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>
Residential	0.514636472	0.789999999	0.210000001	339,374.78	90,213.55	13,042	104,276,229	2.1685	0.0009
General Service <50kw	0.144750753	0.230000002	0.769999998	27,790.77	93,038.66	1,224	37,118,403	1.8921	0.0025
General Service >50kw	0.329695494	0.064974632	0.935025368	17,881.70	257,328.75	117	318,007	12.7363	0.8092
Sentinel Light	0.00335828	0.79823637	0.20176363	2,237.69	565.60	848	2,480	0.2199	0.2281
Streetlighting	0.007559001	0.798236546	0.201763454	5,036.72	1,273.09	2,900	6,995	0.1447	0.1820
	<u>1</u>			<u>392,321.66</u>	<u>442,419.66</u>				
				Total	834,741.32				

March 1, 2002 Rates

PILS Included in rates **(122,747.00)**

reduction in PILS allocated to classes using 2001 Distribution Revenue stats

allocated to fixed / variable using original unbundled RUD fixed / variable splits tying in to final approved rates

Customer Class

	<u>Original Unbundled Rates PILS Rate Adders</u>		<u>Rate Adder Reductions per Sheet 8</u>		<u>New PILS Rate Adders</u>	
	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>
Residential	2.1685	0.0009	(0.337600)	(0.000139)	1.8309	0.0007
General Service <50kw	1.8921	0.0025	(0.241100)	(0.000269)	1.6510	0.0022
General Service >50kw	12.7363	0.8092	(1.747000)	(0.101120)	10.9893	0.7081
Sentinel Light	0.2199	0.2281	(0.030500)	(0.031676)	0.1894	0.1964
Streetlighting	0.1447	0.1820	(0.019500)	(0.024615)	0.1252	0.1574

April 1, 2004 Rates

PILS Included in rates (101,678.00)

reduction in PILS allocated to classes using 2002 Distribution Revenue stats

allocated 100% to variable

Starting point on Sheet 2 of 2004 RAM is 2002 base rate schedule = 2001 rates including PILS of \$834,741 for Fort Erie

only \$101,678 reduction in PILS is allocated on Sheet 7

Customer Class

	2002 Base Rate PILS Rate Adders		Rate Adder Adjustments per TAB 7		New PILS Rate Adders	
	Fixed	Variable	Fixed	Variable	Fixed	Variable
Residential	2.1685	0.0009		(0.000456)	2.1685	0.0004
General Service <50kw	1.8921	0.0025		(0.000354)	1.8921	0.0022
General Service >50kw	12.7363	0.8092		(0.104552)	12.7363	0.7046
Sentinel Light	0.2199	0.2281		(0.073270)	0.2199	0.1548
Streetlighting	0.1447	0.1820		(0.036380)	0.1447	0.1456

April 1, 2005 Rates

PILS Included in rates (122,747.00)

reduction in PILS allocated to classes using 2004 Distribution Revenue stats

PILS reduction allocated 100% to variable

Starting point on Sheet 1 of 2005 RAM is 2002 base rate schedule = 2001 rates including PILS of \$834,741 for Fort Erie

only \$122,747 reduction in PILS is allocated on Sheet 4

Customer Class

	2002 Base Rate PILS Rate Adders		Rate Adder Reductions per Sheet 4		New PILS Rate Adders	
	Fixed	Variable	Fixed	Variable	Fixed	Variable
Residential	2.1685	0.0009		(0.000600)	2.1685	0.0003
General Service <50kw	1.8921	0.0025		(0.000500)	1.8921	0.0020
General Service >50kw	12.7363	0.8092		(0.130600)	12.7363	0.6786
Sentinel Light	0.2199	0.2281		(0.082300)	0.2199	0.1458
Streetlighting	0.1447	0.1820		(0.053400)	0.1447	0.1286

EASTERN ONTARIO POWER REPORT

EASTERN ONTARIO POWER REPORT

Application for Disposition

Eastern Ontario Power is applying to disposition a credit balance (owed to customers) of \$89,875 as per the attached continuity schedule (see Exhibit 3, Tab 1, Schedule 2).

Allocation to Customer Classes

Eastern Ontario Power has used this 2013 Cost of Service (CoS) rate application's associated Distribution Revenue Requirement by customer class to allocate the 1562 Deferred PILS credit balance. A summary is provided below.

Rate Class	2013 Proposed DRR	Allocation %	Allocated 1562 Disposition Value (including interest to Dec 31, 2012)
Residential	\$ 6,931,683	56.29%	(50,592)
General Service < 50 kW	\$ 1,709,984	13.89%	(12,481)
General Service > 50 kW	\$ 3,235,758	26.28%	(23,617)
Sentinel Lights	\$ 58,244	0.47%	(425)
Street Lights	\$ 327,854	2.66%	(2,393)
Unmetered Scattered Load	\$ 50,359	0.41%	(368)
Total	\$ 12,313,882	100.00%	(89,875)

Rate Riders

Eastern Ontario Power is also using the variable billing determinants from this 2013 CoS rate application to determine the 1562 recovery rate riders. Eastern Ontario Power is applying to refund these amounts over a two year period. Please see rate rider calculations below.

Rate Class	Allocated 1562 Value	Recovery Period (years)	Annual Recovery Amount	2013 Proposed Billing Determinant (kWh / kW)	Proposed Rate Rider
Residential	(50,592)	2	(25,296)	29,354,957	(0.00086) per kWh
General Service < 50 kW	(12,481)	2	(6,240)	12,578,164	(0.00050) per kWh
General Service > 50 kW	(23,617)	2	(11,808)	48,371	(0.24412) per kW
Sentinel Lights	(425)	2	(213)	184	(1.15517) per kW
Street Lights	(2,393)	2	(1,196)	1,674	(0.71472) per kW
Unmetered Scattered Load	(368)	2	(184)	157,458	(0.00117) per kWh
Total	(89,875)	2	(44,938)		

Methodology

PILS Entitlement

The PILS entitlements utilized in the continuity schedule are based on approved PILS amounts included in approved distribution rates which are set out in Exhibit 3, Tab 4, Schedule 2 and duplicated in the table below.

Year	PILS Entitlement Amount	Effective Start Date	Effective End Date	Monthly Amount	Comments
2003	\$ 134,316.00	April 1, 2003	Dec. 31, 2003	\$ 11,193.00	2003 Entitlement / 12 months
2004	\$ 134,316.00	January 1, 2004	December 31, 2004	\$ 11,193.00	2004 Entitlement / 12 months
2005	\$ 134,316.00	January 1, 2005	Apr. 30, 2006	\$ 11,193.00	2005 Entitlement / 12 months

PILS Recoveries

The PILS recoveries utilized in the continuity schedule are derived from billing determinants and Board approved PILS rate slivers, as per the methodology used by the applicants in the combined proceeding. The PILS rate slivers for Eastern Ontario Power have been determined as per Exhibit 3, Tab 4, Schedule 3.

1 Eastern Ontario Power received PILS revenue from customers through both the fixed and
2 variable charges over the entire April 2003 to April 2006 period due to its rate design. The
3 PILS rate slivers derived in Exhibit 3, Tab 4, Schedule 3 have been applied to customer
4 billing statistics in Exhibit 3 Tab 4 Schedule 1 to determine recoveries.

6 **Unbilled Revenue**

7 Eastern Ontario Power has utilized a 50% / 50% split of the rate change months billing
8 determinants (kWh's, kW's and customers billed) to reasonably estimate the appropriate
9 PILS recoveries from the transition months billings at both old and new rates.

11 In addition, Eastern Ontario Power has utilized the same 50% / 50% rule for the starting
12 month (April 2003) and ending month (April 2006), again to reasonably estimate the PILS
13 recoveries from customer consumptions.

15 The 50% / 50% unbilled split is based on evenly distributed billing cycles over the month.
16 Billing cycles at the beginning of the month have little or no consumption at new rates,
17 whereas billing cycles at the end of the month have the majority of the consumption at new
18 rates. On average there is a 50% / 50% consumption split. Eastern Ontario Power utilized
19 monthly billing cycles.

21 **SIMPILS True-Up**

22 The PILS amounts approved in rates (Initial Estimate) have been compared to the allocated
23 share of CNPI's tax return using maximum true-up tax rates as approved in the combined
24 proceeding. Schedule 1 adjustments to taxable have been categorized under the TAXREC,
25 TAXREC2, and TAXREC3 tabs of the SIMPILS models.

27 **Interest Improvement**

28 Interest improvement has been determined using OEB approved prescribed interest rates.
29 Interest carrying charges have been determined using month opening balances with no

- 1 interest compounding as per OEB requirements. The Q2 2012 rate has been used as a
- 2 proxy to determine interest carrying charges for the balance of 2012.

EOP MONTHLY CONTINUITY SCHEDULE WITH INTEREST IMPROVEMENT

Canadian Niagara Power - Eastern Ontario Power

1562 Deferred PILS - Continuity Schedule

Year: **Q4 2001**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
October	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
November	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
December	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -

Year: **2002**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
February	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
March	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
April	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
May	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
June	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
July	\$ -	\$ -	\$ -	\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
August	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
September	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
October	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
November	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
December	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -

Year: **2003**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
February	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
March	\$ -	\$ -		\$ -	\$ -	7.25%	\$ -	\$ -	\$ -
April	\$ 11,193.00	\$ -		\$ 11,193.00	\$ 11,193.00	7.25%	\$ -	\$ -	\$ 11,193.00
May	\$ 11,193.00	\$ 5,999.44		\$ 5,193.56	\$ 16,386.56	7.25%	\$ 67.62	\$ 67.62	\$ 16,454.19
June	\$ 11,193.00	\$ 12,276.82		\$ 1,083.82	\$ 15,302.75	7.25%	\$ 99.00	\$ 166.63	\$ 15,469.37
July	\$ 11,193.00	\$ 11,772.37	\$ -	\$ 579.37	\$ 14,723.38	7.25%	\$ 92.45	\$ 259.08	\$ 14,982.46
August	\$ 11,193.00	\$ 11,185.15		\$ 7.85	\$ 14,731.23	7.25%	\$ 88.95	\$ 348.03	\$ 15,079.26
September	\$ 11,193.00	\$ 10,802.98		\$ 390.02	\$ 15,121.25	7.25%	\$ 89.00	\$ 437.04	\$ 15,558.28
October	\$ 11,193.00	\$ 10,922.32		\$ 270.68	\$ 15,391.93	7.25%	\$ 91.36	\$ 528.39	\$ 15,920.32
November	\$ 11,193.00	\$ 10,873.70		\$ 319.30	\$ 15,711.23	7.25%	\$ 92.99	\$ 621.39	\$ 16,332.61
December	\$ 11,193.00	\$ 11,104.30		\$ 88.70	\$ 15,799.92	7.25%	\$ 94.92	\$ 716.31	\$ 16,516.23
Total	\$ 100,737.00	\$ 84,937.08	\$ -	\$ 15,799.92			\$ 716.31		

Year: **2004**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 11,193.00	\$ 11,797.19		\$ 604.19	\$ 15,195.73	7.25%	\$ 95.46	\$ 811.77	\$ 16,007.50
February	\$ 11,193.00	\$ 11,435.15		\$ 242.15	\$ 14,953.59	7.25%	\$ 91.81	\$ 903.57	\$ 15,857.16
March	\$ 11,193.00	\$ 11,226.68		\$ 33.68	\$ 14,919.91	7.25%	\$ 90.34	\$ 993.92	\$ 15,913.83
April	\$ 11,193.00	\$ 11,234.97		\$ 41.97	\$ 14,877.94	7.25%	\$ 90.14	\$ 1,084.06	\$ 15,962.00
May	\$ 11,193.00	\$ 10,788.65		\$ 404.35	\$ 15,282.28	7.25%	\$ 89.89	\$ 1,173.95	\$ 16,456.23
June	\$ 11,193.00	\$ 10,815.60		\$ 377.40	\$ 15,659.68	7.25%	\$ 92.33	\$ 1,266.28	\$ 16,925.96
July	\$ 11,193.00	\$ 11,175.95	\$ 25,895.00	\$ 25,877.95	\$ 10,218.27	7.25%	\$ 94.61	\$ 1,360.89	\$ 8,857.38
August	\$ 11,193.00	\$ 10,924.95		\$ 268.05	\$ 9,950.21	7.25%	\$ 61.74	\$ 1,299.15	\$ 8,651.06
September	\$ 11,193.00	\$ 10,746.36		\$ 446.64	\$ 9,503.57	7.25%	\$ 60.12	\$ 1,239.04	\$ 8,264.53
October	\$ 11,193.00	\$ 11,082.62		\$ 110.38	\$ 9,393.19	7.25%	\$ 57.42	\$ 1,181.62	\$ 8,211.57
November	\$ 11,193.00	\$ 11,298.72		\$ 105.72	\$ 9,498.91	7.25%	\$ 56.75	\$ 1,124.87	\$ 8,374.04
December	\$ 11,193.00	\$ 11,609.88		\$ 416.88	\$ 9,915.79	7.25%	\$ 57.39	\$ 1,067.48	\$ 8,848.31
Total	\$ 134,316.00	\$ 134,136.71	\$ 25,895.00	\$ 25,715.71			\$ 351.17		

Canadian Niagara Power - Eastern Ontario Power

1562 Deferred PILS - Continuity Schedule

Year: 2005

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 11,193.00	\$ 12,272.37		-\$ 1,079.37	-\$ 10,995.16	7.25%	-\$ 59.91	\$ 1,007.57	-\$ 9,987.59
February	\$ 11,193.00	\$ 11,706.63		-\$ 513.63	-\$ 11,508.79	7.25%	-\$ 66.43	\$ 941.14	-\$ 10,567.65
March	\$ 11,193.00	\$ 11,886.34		-\$ 693.34	-\$ 12,202.14	7.25%	-\$ 69.53	\$ 871.61	-\$ 11,330.53
April	\$ 11,193.00	\$ 11,286.37		-\$ 93.37	-\$ 12,295.51	7.25%	-\$ 73.72	\$ 797.89	-\$ 11,497.62
May	\$ 11,193.00	\$ 11,176.53		-\$ 16.47	-\$ 12,279.04	7.25%	-\$ 74.29	\$ 723.60	-\$ 11,555.44
June	\$ 11,193.00	\$ 11,650.35		-\$ 457.35	-\$ 12,736.39	7.25%	-\$ 74.19	\$ 649.42	-\$ 12,086.97
July	\$ 11,193.00	\$ 11,745.87	-\$ 25,377.00	-\$ 25,929.87	-\$ 38,666.26	7.25%	-\$ 76.95	\$ 572.47	-\$ 38,093.79
August	\$ 11,193.00	\$ 11,512.68		-\$ 319.68	-\$ 38,985.94	7.25%	-\$ 233.61	\$ 338.86	-\$ 38,647.08
September	\$ 11,193.00	\$ 11,122.34		-\$ 70.66	-\$ 38,915.28	7.25%	-\$ 235.54	\$ 103.32	-\$ 38,811.96
October	\$ 11,193.00	\$ 10,862.18		-\$ 330.82	-\$ 38,584.47	7.25%	-\$ 235.11	-\$ 131.79	-\$ 38,716.26
November	\$ 11,193.00	\$ 10,934.24		-\$ 258.76	-\$ 38,325.70	7.25%	-\$ 233.11	-\$ 364.91	-\$ 38,690.61
December	\$ 11,193.00	\$ 11,341.19		-\$ 148.19	-\$ 38,473.89	7.25%	-\$ 231.55	-\$ 596.46	-\$ 39,070.35
Total	\$ 134,316.00	\$ 137,497.10	-\$ 25,377.00	-\$ 28,558.10			-\$ 1,663.94		

Year: 2006

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 11,193.00	\$ 11,329.97		-\$ 136.97	-\$ 38,610.86	7.25%	-\$ 232.45	-\$ 828.91	-\$ 39,439.77
February	\$ 11,193.00	\$ 11,344.76		-\$ 151.76	-\$ 38,762.62	7.25%	-\$ 233.27	-\$ 1,062.18	-\$ 39,824.80
March	\$ 11,193.00	\$ 11,387.19		-\$ 194.19	-\$ 38,956.81	7.25%	-\$ 234.19	-\$ 1,296.37	-\$ 40,253.18
April	\$ 11,193.00	\$ 10,779.09		-\$ 413.91	-\$ 38,542.90	7.25%	-\$ 235.36	-\$ 1,531.73	-\$ 40,074.64
May		\$ 6,101.69		-\$ 6,101.69	-\$ 44,644.59	4.14%	-\$ 132.97	-\$ 1,664.71	-\$ 46,309.30
June				-\$ -	-\$ 44,644.59	4.14%	-\$ 154.02	-\$ 1,818.73	-\$ 46,463.33
July			-\$ 31,450.00	-\$ 31,450.00	-\$ 76,094.59	4.59%	-\$ 170.77	-\$ 1,989.50	-\$ 78,084.09
August				-\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 2,280.56	-\$ 78,375.15
September				-\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 2,571.62	-\$ 78,666.22
October				-\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 2,862.68	-\$ 78,957.28
November				-\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 3,153.74	-\$ 79,248.34
December				-\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 3,444.81	-\$ 79,539.40
Total	\$ 44,772.00	\$ 50,942.70	-\$ 31,450.00	-\$ 37,620.70			-\$ 2,848.35		

Year: 2007

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 3,735.87	-\$ 79,830.46
February				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 4,026.93	-\$ 80,121.52
March				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 4,317.99	-\$ 80,412.59
April				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 4,609.05	-\$ 80,703.65
May				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 4,900.11	-\$ 80,994.71
June				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 5,191.18	-\$ 81,285.77
July				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 5,482.24	-\$ 81,576.83
August				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 5,773.30	-\$ 81,867.90
September				\$ -	-\$ 76,094.59	4.59%	-\$ 291.06	-\$ 6,064.36	-\$ 82,158.96
October				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 6,390.30	-\$ 82,484.90
November				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 6,716.24	-\$ 82,810.83
December				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 7,042.18	-\$ 83,136.77
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 3,597.37		

Year: 2008

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 7,368.12	-\$ 83,462.71
February				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 7,694.05	-\$ 83,788.65
March				\$ -	-\$ 76,094.59	5.14%	-\$ 325.94	-\$ 8,019.99	-\$ 84,114.59
April				\$ -	-\$ 76,094.59	4.08%	-\$ 258.72	-\$ 8,278.71	-\$ 84,373.31
May				\$ -	-\$ 76,094.59	4.08%	-\$ 258.72	-\$ 8,537.44	-\$ 84,632.03
June				\$ -	-\$ 76,094.59	4.08%	-\$ 258.72	-\$ 8,796.16	-\$ 84,890.75
July				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 9,008.59	-\$ 85,103.18
August				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 9,221.02	-\$ 85,315.61
September				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 9,433.45	-\$ 85,528.05
October				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 9,645.88	-\$ 85,740.48
November				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 9,858.31	-\$ 85,952.91
December				\$ -	-\$ 76,094.59	3.35%	-\$ 212.43	-\$ 10,070.74	-\$ 86,165.34
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 3,028.56		

Canadian Niagara Power - Eastern Ontario Power

1562 Deferred PILS - Continuity Schedule

Year: 2009

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 76,094.59	2.45%	-\$ 155.36	-\$ 10,226.10	-\$ 86,320.70
February				\$ -	-\$ 76,094.59	2.45%	-\$ 155.36	-\$ 10,381.46	-\$ 86,476.06
March				\$ -	-\$ 76,094.59	2.45%	-\$ 155.36	-\$ 10,536.82	-\$ 86,631.42
April				\$ -	-\$ 76,094.59	1.00%	-\$ 63.41	-\$ 10,600.23	-\$ 86,694.83
May				\$ -	-\$ 76,094.59	1.00%	-\$ 63.41	-\$ 10,663.65	-\$ 86,758.24
June				\$ -	-\$ 76,094.59	1.00%	-\$ 63.41	-\$ 10,727.06	-\$ 86,821.65
July				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,761.94	-\$ 86,856.53
August				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,796.81	-\$ 86,891.41
September				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,831.69	-\$ 86,926.28
October				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,866.57	-\$ 86,961.16
November				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,901.44	-\$ 86,996.04
December				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,936.32	-\$ 87,030.91
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 865.58		

Year: 2010

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 10,971.20	-\$ 87,065.79
February				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 11,006.07	-\$ 87,100.67
March				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 11,040.95	-\$ 87,135.54
April				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 11,075.83	-\$ 87,170.42
May				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 11,110.70	-\$ 87,205.30
June				\$ -	-\$ 76,094.59	0.55%	-\$ 34.88	-\$ 11,145.58	-\$ 87,240.17
July				\$ -	-\$ 76,094.59	0.89%	-\$ 56.44	-\$ 11,202.02	-\$ 87,296.61
August				\$ -	-\$ 76,094.59	0.89%	-\$ 56.44	-\$ 11,258.45	-\$ 87,353.05
September				\$ -	-\$ 76,094.59	0.89%	-\$ 56.44	-\$ 11,314.89	-\$ 87,409.48
October				\$ -	-\$ 76,094.59	1.20%	-\$ 76.09	-\$ 11,390.98	-\$ 87,485.58
November				\$ -	-\$ 76,094.59	1.20%	-\$ 76.09	-\$ 11,467.08	-\$ 87,561.67
December				\$ -	-\$ 76,094.59	1.20%	-\$ 76.09	-\$ 11,543.17	-\$ 87,637.77
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 606.85		

Year: 2011

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 11,636.39	-\$ 87,730.98
February				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 11,729.60	-\$ 87,824.20
March				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 11,822.82	-\$ 87,917.42
April				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 11,916.04	-\$ 88,010.63
May				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,009.25	-\$ 88,103.85
June				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,102.47	-\$ 88,197.06
July				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,195.68	-\$ 88,290.28
August				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,288.90	-\$ 88,383.49
September				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,382.12	-\$ 88,476.71
October				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,475.33	-\$ 88,569.93
November				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,568.55	-\$ 88,663.14
December				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,661.76	-\$ 88,756.36
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 1,118.59		

Year: 2012

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,754.98	-\$ 88,849.57
February				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,848.20	-\$ 88,942.79
March				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 12,941.41	-\$ 89,036.01
April				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,034.63	-\$ 89,129.22
May				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,127.84	-\$ 89,222.44
June				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,221.06	-\$ 89,315.65
July				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,314.27	-\$ 89,408.87
August				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,407.49	-\$ 89,502.09
September				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,500.71	-\$ 89,595.30
October				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,593.92	-\$ 89,688.52
November				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,687.14	-\$ 89,781.73
December				\$ -	-\$ 76,094.59	1.47%	-\$ 93.22	-\$ 13,780.35	-\$ 89,874.95
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 1,118.59		

2003 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - EOP			<u>Colour Code</u>	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	274	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		1%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		0%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			3,157,217	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			270,416	
42					
43	1999 return from RUD Sheet #7			380,265	380,265
44					
45	Total Incremental revenue			-109,849	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			-109,850	-109,850
48	Amount allowed in 2002				0
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				270,415
55					
56	Equity			1,578,609	
57					
58	Return at target ROE			155,967	
59					
60	Debt			1,578,609	
61					
62	Deemed interest amount in 100% of MARR			114,449	
63					
64	Phase-in of interest - Year 1 (2001)			114,449	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			114,449	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			114,449	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			114,449	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance		
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: CNPI - EOP							
7	Reporting period: 2003							
8								
9	Days in reporting period:	274	days				Column Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	270,415		-96,813		173,602	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	138,070		-19,107		118,963	
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"				691		691	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	62,090		23,243		85,333	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	114,449		-114,449		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			78,115		78,115	
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"				1,191		1,191	
49								
50	TAXABLE INCOME/ (LOSS)		231,946		(103,329)	Before loss C/F	128,617	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		2.3425%		36.46%	
54								
55	REGULATORY INCOME TAX		79,140		-32,243	Actual	46,897	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		79,140		-32,243	Actual	46,897	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	3,157,217		264,981		3,422,198	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	0		38,975		38,975	
68	Taxable Capital		3,157,217		303,956		3,383,223	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		9,472		-1,852		7,619	
73								
74	Federal Large Corporations Tax							
75	Base	18	3,157,217		2,971,783		6,129,000	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	0		0		0	
77	Taxable Capital		3,157,217		2,971,783		6,129,000	
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)		7,104		3,248		10,352	
82	Less: Federal Surtax 1.12% x Taxable Income	21	2,598		-289		2,309	
83								
84	Net LCT		4,506		3,537		8,043	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	118,119			Actual 2003	46,897	
91	LCT (proxy tax is grossed-up)	23	6,725			Actual 2003	8,918	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	9,472			Actual 2003	7,619	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	134,316			Actual 2003	63,434	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			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 I206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			78,115			
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		=	-78,115			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	36.62%			

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing Variance	M of F Filing Variance	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: CNPI - EOP							
7	Reporting period: 2003							
8								
9	Days in reporting period:	274	days				Column Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
123								
124	Income Tax Effect on True-up adjustments			=	-28,606			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-28,606			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(34,885)			
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)			=	231,946			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	84,939			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	84,939			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	79,140			
147								
148	Regulatory Income Tax Variance			=	5,799			
149								
150	Ontario Capital Tax							
151	Base			=	3,157,217			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-				
153	Revised deemed taxable capital			=	3,157,217			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	9,472			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	9,472			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				3,157,217			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-				
164	Revised Federal LCT			=	3,157,217			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				7,104			
169	Less: Federal surtax			-	2,598			
170	Revised Net LCT			=	4,506			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	4,506			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	8,990			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	8,990			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(34,885)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(25,895)			
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)				114,449			
194	Interest phased-in (Cell C36)				114,449			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell K36+K41)				0			
202	Actual Interest Paid				114,449			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				0			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - EOP					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		274	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				
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	5,605,828		5,605,828	
32	Distribution Revenue	+			0	
33	Other Income	+	2,452		2,452	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	4,101,433		4,101,433	
40	Administration	-	897,091		897,091	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	309,572		309,572	
43	Amortization	-	118,963		118,963	
44	Ontario Capital Tax	-	7,619		7,619	
45	Reg Asset movement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	173,602	0	173,602	
51	Less: Interest expense for accounting purposes	-	0		0	
52	Provision for payments in lieu of income taxes	-	138,948		138,948	
53	Net Income (loss)	=	34,654	0	34,654	
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	+	138,948	0	138,948	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	118,963	0	118,963	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		691	0	691	
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		258,602	0	258,602	
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	=	258,602	0	258,602	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
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	
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	-	85,333		85,333	
98	Cumulative eligible capital deduction	-			0	
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	-	78,115	0	78,115	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		1,191	0	1,191	
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	=	164,639	0	164,639	
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	=	164,639	0	164,639	
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	=	128,617	0	128,617	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	128,617	0	128,617	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	30,889		30,889	
143	Net Ontario Income Tax (Must agree with tax return)	+	16,008		16,008	
144	Subtotal	=	46,897	0	46,897	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	46,897	0	46,897	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.02%		24.02%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.45%		12.45%	
151	Blended Income Tax Rate		36.46%		36.46%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	46,897	0	46,897	
157	Ontario Capital Tax	+	7,619		7,619	
158	Federal Large Corporations Tax	+	8,918		8,918	
159						
160	Total income and capital taxes	=	63,434	0	63,434	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - EOP					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe		78,115		78,115	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		78,115	0	78,115	
51						
52	End of Year:					
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	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2003					
10	Number of days in taxation year:		274			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2003					
10	Number of days in taxation year:		274			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - EOP				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		274			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	691		691	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	691	0	691	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	1,191		1,191	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	1,191	0	1,191	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - EOP									
5	Reporting period: 2003									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0		200,001					
11	RAM 2002		to		to					
12		Year	200,000		700,000					
13	Income Tax Rate									
14	Proxy Tax Year	2002								
15	Federal (Includes surtax)		13.12%		26.12%		26.12%			
16	and Ontario blended		6.00%		6.00%		12.50%			
17	Blended rate		19.12%		34.12%		38.62%			
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to					
29		Year	200,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%	22.12%	22.12%		24.12%			
33	Ontario	2003	6.00%	5.50%	9.75%		12.50%			
34	Blended rate	2003	19.12%	27.62%	31.87%		36.62%			
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	1.12%							
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2003 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to					
47		Year	200,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%			
51	Ontario		6.00%	5.50%	9.75%		12.50%			
52	Blended rate		19.12%	27.62%	31.87%		36.62%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	38,975							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - EOP														Version 2009.1
4	Reporting period: 2003														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWts, Kva) for the period (including net unbilled at period end), multiplied														
64	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	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2004 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - EOP			Colour Code	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	366	days		
7	Total days in the calendar year:	366	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		0%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			3,157,217	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			270,416	
42					
43	1999 return from RUD Sheet #7			380,265	380,265
44					
45	Total Incremental revenue			-109,849	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			-109,850	-109,850
48	Amount allowed in 2002				0
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				270,415
55					
56	Equity			1,578,609	
57					
58	Return at target ROE			155,967	
59					
60	Debt			1,578,609	
61					
62	Deemed interest amount in 100% of MARR			114,449	
63					
64	Phase-in of interest - Year 1 (2001)			114,449	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			114,449	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			114,449	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			114,449	
71					
72					

	A	B	C	D	E	F	G	H
1	PILS TAXES	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: CNPI - EOP							
7	Reporting period: 2004							
8							Column Brought From TAXREC \$	
9	Days in reporting period:	366	days					
10	Total days in the calendar year:	366	days					
11			\$		\$			
12								
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	270,415		538,093		808,508	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	138,070		89,561		227,631	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			23,766		23,766	
23	Reserves from financial statements - end of year	4			75,118		75,118	
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			10,765		10,765	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				9,561		9,561	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	62,090		185,199		247,289	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			62,390		62,390	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	114,449		-5,774		108,675	
38	Tax reserves - end of year	4			24,452		24,452	
39	Reserves from financial statements - beginning of year	4			71,967		71,967	
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			4,686		4,686	
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			7,165		7,165	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		231,946		396,779	Before loss C/F	628,725	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		1.9408%		36.06%	
54								
55	REGULATORY INCOME TAX		79,140		147,583	Actual	226,723	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		79,140		147,583	Actual	226,723	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	3,157,217		1,141,154		4,298,371	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16			84,228		84,228	
68	Taxable Capital		3,157,217		1,225,382		4,214,143	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		9,472		3,171		12,642	
73								
74	Federal Large Corporations Tax							
75	Base	18	3,157,217		1,672,775		4,829,992	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19			149,181		149,181	
77	Taxable Capital		3,157,217		1,821,956		4,680,811	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		7,104		2,258		9,362	
82	Less: Federal Surtax 1.12% x Taxable Income	21	2,598		-980		1,618	
83								
84	Net LCT		4,506		3,238		7,744	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		33.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	118,119			Actual 2004	226,723	
91	LCT (proxy tax is grossed-up)	23	6,725			Actual 2004	7,744	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	9,472			Actual 2004	12,642	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	134,316			Actual 2004	247,109	
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			23,766			
104	Reserves from financial statements-end of year	4			75,118			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			10,765			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			62,390			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			24,452			
114	Reserves from F/S beginning of year	4			71,967			
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			7,165			
119								
120	Total TRUE-UPS before tax effect	26		=	-56,325			

	A	B	C	D	E	F	G	H
1	PILS TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - EOP							
7	Reporting period: 2004							
8								
9	Days in reporting period:	366	days				Column	
10	Total days in the calendar year:	366	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-20,345			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-20,345			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(31,299)			
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)			=	231,946			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	83,779			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	83,779			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	79,140			
147								
148	Regulatory Income Tax Variance			=	4,639			
149								
150	Ontario Capital Tax							
151	Base			=	3,157,217			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-				
153	Revised deemed taxable capital			=	3,157,217			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	9,472			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	9,472			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				3,157,217			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-				
164	Revised Federal LCT			=	3,157,217			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				6,314			
169	Less: Federal surtax			-	2,598			
170	Revised Net LCT			=	3,717			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	4,506			
173	Regulatory Federal LCT Variance			=	(789)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	7,137			
178	LCT (grossed-up)			+	(1,214)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	5,922			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(31,299)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(25,377)			
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)				114,449			
194	Interest phased-in (Cell C36)				114,449			
195								
196	Variance due to phase-in of debt component of MARR in rates				0			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				113,361			
202	Actual Interest Paid				114,449			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				0			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - EOP					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		366	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				
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	+	7,932,859		7,932,859	
32	Distribution Revenue	+			0	
33	Other Income	+	163,203		163,203	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	6,002,044		6,002,044	
40	Administration	-	617,409		617,409	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	422,966		422,966	
43	Amortization	-	227,631		227,631	
44	Ontario Capital Tax	-	17,504		17,504	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	808,508	0	808,508	
51	Less: Interest expense for accounting purposes	-	108,675		108,675	
52	Provision for payments in lieu of income taxes	-	44,783		44,783	
53	Net Income (loss)	=	655,050	0	655,050	
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	+	44,783	0	44,783	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	227,631	0	227,631	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	23,766	0	23,766	
64	Reserves from financial statements- end of year	+	75,118	0	75,118	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		9,561	0	9,561	
67	Material addition items from TAXREC 2	+	10,765	0	10,765	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		391,624	0	391,624	
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	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	391,624	0	391,624	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
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	
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	-	246,477		246,477	
98	Cumulative eligible capital deduction	-	812		812	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	62,390		62,390	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	24,452	0	24,452	
105	Reserves from financial statements- beginning of year	-	71,967	0	71,967	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-	4,686		4,686	
110	Material deduction items from TAXREC 2	-	7,165	0	7,165	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	417,949	0	417,949	
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	=	417,949	0	417,949	
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	=	628,725	0	628,725	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	628,725	0	628,725	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	139,045	0	139,045	
143	Net Ontario Income Tax (Must agree with tax return)	+	87,678	0	87,678	
144	Subtotal	=	226,723	0	226,723	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	226,723	0	226,723	
147						
148	FROM ACTUAL TAX RETURNS					
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)		13.95%		13.95%	
151	Blended Income Tax Rate		36.06%		36.06%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	226,723	0	226,723	
157	Ontario Capital Tax	+	12,642		12,642	
158	Federal Large Corporations Tax	+	7,744		7,744	
159						
160	Total income and capital taxes	=	247,109	0	247,109	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - EOP					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		23,766		23,766	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		23,766	0	23,766	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		24,452		24,452	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		24,452	0	24,452	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		71,967		71,967	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		71,967	0	71,967	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		75,118		75,118	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		75,118	0	75,118	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	10,765		10,765	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	10,765	0	10,765	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		10,765	0	10,765	
73			0	0	0	
74			0	0	0	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		10,765	0	10,765	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		10,765	0	10,765	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	7,165		7,165	
97		-			0	
98		-			0	
99	Total Deductions	=	7,165	0	7,165	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		7,165	0	7,165	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		7,165	0	7,165	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		7,165	0	7,165	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - EOP				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,313		2,313	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes		3,169		3,169	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45	Deferred deregulation costs	+	4,079		4,079	
46		+				
47	Total Additions on which true-up does not apply	=	9,561	0	9,561	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates Version 2009.1									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - EOP									
5	Reporting period: 2004									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to					
11		Year	200,000		700,000				>700000	
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%			26.12%		
15	and Ontario blended		6.00%		6.00%			12.50%		
16	Blended rate		19.12%		34.12%			38.62%		
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to				>1,128,000	
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)	2004	13.12%	22.12%	22.12%			22.12%		
33	Ontario	2004	5.50%	5.50%	9.75%			14.00%		
34	Blended rate	2004	18.62%	27.62%	31.87%			36.12%		
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to				>1,128,000	
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		13.12%	22.12%	22.29%			22.12%		
51	Ontario		5.50%	5.50%	13.77%			14.00%		
52	Blended rate		18.62%	27.62%	36.06%			36.12%		
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	84,228							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	149,181							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - EOP														Version 2009.1
4	Reporting period: 2004														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2005 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - EOP			Colour Code	
4	Reporting period: 2005			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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		0%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		0%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			3,157,217	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			270,416	
42					
43	1999 return from RUD Sheet #7			380,265	380,265
44					
45	Total Incremental revenue			-109,849	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			-109,850	-109,850
48	Amount allowed in 2002				0
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				
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				270,415
55					
56	Equity			1,578,609	
57					
58	Return at target ROE			155,967	
59					
60	Debt			1,578,609	
61					
62	Deemed interest amount in 100% of MARR			114,449	
63					
64	Phase-in of interest - Year 1 (2001)			114,449	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			114,449	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			114,449	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			114,449	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - EOP							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	270,415		240,248		510,663	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	138,070		101,813		239,883	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			23,978		23,978	
23	Reserves from financial statements - end of year	4			60,584		60,584	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			516		516	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			6,650		6,650	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				10,066		10,066	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	62,090		203,006		265,096	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			69,947		69,947	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	114,449		6,403		120,852	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			74,205		74,205	
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			1,349		1,349	
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			7,078		7,078	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		231,946		81,867	Before loss C/F	313,813	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		2.0000%		36.12%	
54								
55	REGULATORY INCOME TAX		79,140		-118,385	Actual	-39,245	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		79,140		-118,385	Actual	-39,245	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	3,157,217		1,072,074		4,229,291	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	0		126,125		126,125	
68	Taxable Capital		3,157,217		1,198,199		4,103,166	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		9,472		2,838		12,309	
73								
74	Federal Large Corporations Tax							
75	Base	18	3,157,217		1,666,103		4,823,320	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	0		73,684		73,684	
77	Taxable Capital		3,157,217		1,739,787		4,749,636	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		7,104		2,396		9,499	
82	Less: Federal Surtax - 1.12% x Taxable Income	21	2,598		-2,598		0	
83								
84	Net LCT		4,506		4,993		9,499	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	118,119			Actual 2005	-39,245	
91	LCT (proxy tax is grossed-up)	23	6,725			Actual 2005	8,312	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	9,472			Actual 2005	11,794	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	134,316			Actual 2005	-19,139	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			23,978			
104	Reserves from financial statements-end of year	4			60,584			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			516			
107	Other additions "Material" Items TAXREC 2	6			6,650			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			69,947			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			7,752			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			74,205			
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			7,078			
119								
120	Total TRUE-UPS before tax effect	26		=	-67,254			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	36.12%			

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - EOP							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
123								
124	Income Tax Effect on True-up adjustments			=	-24,292			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-24,292			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(37,373)			
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)			=	231,946			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	83,779			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	83,779			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	79,140			
147								
148	Regulatory Income Tax Variance			=	4,639			
149								
150	Ontario Capital Tax							
151	Base			=	3,157,217			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	0			
153	Revised deemed taxable capital			=	3,157,217			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	9,472			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	9,472			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				3,157,217			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0			
164	Revised Federal LCT			=	3,157,217			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				6,314			
169	Less: Federal surtax			-	2,598			
170	Revised Net LCT			=	3,717			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	4,506			
173	Regulatory Federal LCT Variance			=	(789)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	7,137			
178	LCT (grossed-up)			+	(1,214)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	5,922			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(37,373)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(31,450)			
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)				114,449			
194	Interest phased-in (Cell C36)				114,449			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
197								
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)				122,201			
202	Actual Interest Paid				114,449			
203								
204	Variance caused by excess debt				7,752			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				7,752			
207								
208	Total Interest Variance				-7,752			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: CNPI - EOP						
8	Reporting period: 2005						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		365	days			
12							
13	Please enter the Materiality Level :		0	< - enter materiality level			
14	(0.25% x Rate Base x CER)	Y/N					
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	+	8,643,908		8,643,908		
32	Distribution Revenue	+			0		
33	Other Income	+			0		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	6,615,599		6,615,599		
40	Administration	-	843,632		843,632		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-	416,261		416,261		
43	Amortization	-	239,883		239,883		
44	Ontario Capital Tax	-	17,870		17,870		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	510,663	0	510,663		
51	Less: Interest expense for accounting purposes	-	120,852		120,852		
52	Provision for payments in lieu of income taxes	-	156,722		156,722		
53	Net Income (loss)	=	233,089	0	233,089		
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	+	156,722	0	156,722		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	239,883	0	239,883		
62	Employee benefit plans-accrued, not paid	+		0	0		
63	Tax reserves - beginning of year	+	23,978	0	23,978		
64	Reserves from financial statements- end of year	+	60,584	0	60,584		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		10,066	0	10,066		
67	Material addition items from TAXREC 2	+	6,650	0	6,650		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		497,883	0	497,883		
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	Ontario apprentice and co-op credits	+	516		516		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	516	0	516		
81							
82	Total Additions	=	498,399	0	498,399		
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		
87			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
88	Ontario apprentice and co-op credits		516	0	516		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		516	0	516		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		516	0	516		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	264,350		264,350		
98	Cumulative eligible capital deduction	-	746		746		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-	69,947		69,947		
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	-	74,205	0	74,205		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		0	0	0		
109	Interest capitalized for accounting deducted for tax	-	1,349		1,349		
110	Material deduction items from TAXREC 2	-	7,078	0	7,078		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	417,675	0	417,675		
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	=	417,675	0	417,675		
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	=	313,813	0	313,813		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	313,813	0	313,813		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	0	0	0		
143	Net Ontario Income Tax (Must agree with tax return)	+	(39,245)	0	(39,245)		
144	Subtotal	=	(39,245)	0	(39,245)		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	(39,245)	0	(39,245)		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		-12.51%		-12.51%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		-12.51%		-12.51%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	-39,245	0	-39,245		
157	Ontario Capital Tax	+	11,794		11,794		
158	Federal Large Corporations Tax	+	8,312		8,312		
159							
160	Total income and capital taxes	=	-19,139	0	-19,139		
161							

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - EOP					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		23,978		23,978	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		23,978	0	23,978	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		0		0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement.		74,205		74,205	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		74,205	0	74,205	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement.		60,584		60,584	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		60,584	0	60,584	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	6,650		6,650	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	6,650	0	6,650	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		6,650	0	6,650	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - EOP					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		6,650	0	6,650	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		6,650	0	6,650	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	7,078		7,078	
97		-			0	
98		-			0	
99	Total Deductions	=	7,078	0	7,078	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		7,078	0	7,078	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		7,078	0	7,078	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		7,078	0	7,078	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - EOP				Version 2009.1	
9						
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					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	8,653		8,653	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	1,413		1,413	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	10,066	0	10,066	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - EOP									
5	Reporting period: 2005									
6										
7										
8	Table 1									
9	Rates Used in 2005 RAM PILs Applications for 2005									
10	Income Range		0		400,001					
11	RAM 2005		to		to					
12		Year	400,000		1,128,000					>1,128,000
13	Income Tax Rate									
14	Proxy Tax Year	2005								
15	Federal (Includes surtax)		26.12%		26.12%					22.12%
16	and Ontario blended		6.00%		6.00%					14.00%
17	Blended rate		34.12%		34.12%					36.12%
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	0							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	0							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to					>1,128,000
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2005								
32	Federal (Includes surtax)	2005	22.12%	22.12%	22.12%					22.12%
33	Ontario	2005	14.00%	14.00%	14.00%					14.00%
34	Blended rate	2005	36.12%	36.12%	36.12%					36.12%
35										
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2005	MAX \$7.5MM	0							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	0							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2005 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to					>1,128,000
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)		22.12%	22.12%	22.12%					22.12%
51	Ontario		14.00%	14.00%	14.00%					14.00%
52	Blended rate		36.12%	36.12%	36.12%					36.12%
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	126,125							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	73,684							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - EOP														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease										0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2003 RUD MODEL

DISTRIBUTION DATE
DATE: MARCH 28, 2000

SHEET 1 - DATA

SPREADSHEET FOR UNBUNDLING CURRENT ELECTRICITY RATES

THIS SHEET SERVES AS THE INPUT AREA FOR THE DATA NEEDED BY THE SUBSEQUENT SHEETS.

ENTER YOUR UTILITY SPECIFIC DATA IN THE CELLS HIGHLIGHTED IN YELLOW.

NOTE: TO READ COMMENTS (RED TRIANGLES) CLICK ON THE RED TRIANGLE AND THEY WILL APPEAR.

NAME OF UTILITY
LICENCE NUMBER
DATE (dd-mm-yy)
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Easton Ontario Power

24-Feb-03

Tim Curtis

FOR BACKGROUND CALCULATIONS

SOURCE: WHOLESALE AND PURCHASED RETAIL KWH BILLS

	RESIDENTIAL	SENTINEL LIGHTS	GENERAL SERVICE (total excluding street lighting)	STREET LIGHTING	LARGE USE	TOTAL RETAIL	GENERAL SERVICE	INTERMEDIATE USE	GENERAL SERVICE
RETAIL ENERGY (KWH)	26,687,700	90,100	69,726,168	609,900	0	97,113,868	41,941,800	0	<50KW 22,680,641
LOSS FACTOR ADJUSTMENT	1.0650				1.0100				
CALCULATION FOR LOSS FACTOR:									
(A) WHOLESALE KWH	1996 99769000	1997 95084000	1998 97906300	1999 97712900	2000 AVERAGE 103121500				
(B) WHOLESALE KWH FOR LARGE USERS									
(C) WHOLESALE KWH (A)-(B) FOR DSL									
(D) RETAIL KWH	99769000	95084000	97906300	97712900	103121500				
(E) RETAIL KWH FOR LARGE USERS	93,544,900	89,238,000	91,850,000	91,626,400	97,212,000				
(F) RETAIL KWH FOR DSL FACTOR (D)-(E)									
(G) DSL [(C)/(F)]-1	93544900 0.0665	89238000 0.0655	91850000 0.0659	91626400 0.0664	97212000 AVERAGE 0.0608				
(H) LOSS FACTOR ADJUSTMENT	1.0650								

NOTE: UTILITY CAN USE AVERAGE DSL FOR LARGE USE CLASS INSTEAD OF 1% DEFAULT VALUE IF MORE APPROPRIATE IF CHOOSING THIS OPTION. ENTER ZEROS FOR LARGE USERS IN CELLS B31 TO F31 AND CELLS B34 TO F34 AND ENTER THE LOSS ADJUSTMENT FACTOR IN CELL F26. TO GET WHOLESALE KWH FOR LARGE USERS MULTIPLY RETAIL KWH BY 1.01.

FOR COST OF POWER CALCULATIONS:

SOURCE: UTILITY WHOLESALE COST OF POWER BILLS (if specific class percentages are not known for voltage splits use the total system percentages for those classes that are not known)

(E) PURCHASED AT <115 KV	WINTER PEAK \$/KW 12.05	SUMMER PEAK \$/KW 9.02
(H) PURCHASED AT >115 KV	11.02	7.99
(I) PURCHASED AT 230 KV	10.00	6.00
RESIDENTIAL		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000
SENTINEL LIGHTING		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PURCHASED AT 230 KV	0.000	0.000
GENERAL SERVICE <50 KW		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PURCHASED AT 230 KV	0.000	0.000
GENERAL SERVICE NON- TIME OF USE >50 KW		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PURCHASED AT 230 KV	0.000	0.000
GENERAL SERVICE TIME OF USE >50 KW		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PURCHASED AT 230 KV	0.000	0.000
GENERAL SERVICE INTERMEDIATE USE		
(B) PERCENT PURCHASED AT <115 KV	WINTER 1.000	SUMMER 1.000
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000
(D) PURCHASED AT 230 KV	0.000	0.000

NON-TIME-OF-USE <50 KW (no demand meters)	SALES IN BLOCK	BLOCK RATE \$/KWH	REVENUE REQUIREMENT \$
SERVICE CHARGE			\$0.00
FIRST 250 KWH			
NEXT 12250 KWH	7,469,254	0.0975	
NEXT BLOCK	15,205,900	0.0680	
BALANCE KWH		0.0680	

DISTRIBUTION DATE
DATE: MARCH 28, 2000

TIME-OF-USE
WINTER DEMAND
SUMMER DEMAND

NUMBER OF CONNECTIONS (YEAR-END 1999) 590

LARGE USE

	SALES IN BLOCK	RATE
WINTER PEAK	KW	\$/KW
SUMMER PEAK		
SUBTOTAL	0	
WINTER PEAK	KWH	\$/KWH
WINTER OFF PEAK		
SUMMER PEAK		
SUMMER OFF-PEAK		
SUBTOTAL	0	

NUMBER OF CUSTOMERS (YEAR-END 1999)

FOR SUMMARY OF RATES AND CHARGES:

ADD YOUR MISCELLANEOUS CHARGES FOR 1999 AND 2000 DIRECTLY TO THIS SHEET WHERE INDICATED

FOR RATE IMPACT ANALYSIS CALCULATIONS:

CUSTOMIZE TO FIT YOUR UTILITY

FOR TARGETED RATE OF RETURN CALCULATIONS:

INPUT DATA DIRECTLY IN THIS SECTION

**FOR RATE IMPACT OF VARYING PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUE CALCULATIONS:
(SENSITIVITY ANALYSIS 1)**

CUSTOMIZE TO FIT YOUR UTILITY

FOR SENSITIVITY ANALYSIS 2 AND SENSITIVITY ANALYSIS 3

CUSTOMIZE TO FIT YOUR UTILITY

FOR RATE SCHEDULES (NO MARR) AND RATE SCHEDULE (MARR)

INPUT MISCELLANEOUS CHARGES DIRECTLY INTO THIS SHEET.

Late Payment	1.5% on balance	
N.S.F. Cheques	\$ 15.00	
Collection of Accounts	\$ 15.00 plus GST	
Reconnection at Meter		
During Working Hours	\$ 25.00 plus GST	
After Working Hours	\$ 150.00 plus GST	
Reconnection at Pole		
During Working Hours	\$ 45.00 plus GST	
After Working Hours	\$ 300.00 plus GST	
Change of Occupancy	\$ 15.00 plus GST	
Arrears Certificate	\$ 10.00 plus GST	
Payment History		
Requested by Customer	\$ 10.00 plus GST	
Archived Records	\$ 20.00 plus GST	per hour

DISTRIBUTION DATE
DATE: MARCH 28, 2000

MINIMUM BILLS	5,487	
TOTAL	22,680,641	
FIRST 50 KW	80,081	4.3000
NUMBER OF CUSTOMERS (YEAR-END 1999)	444	

NON-TIME OF USE >50 KW BLOCK	SALES IN BLOCK	REVENUE RATE REQUIREMENT
SERVICE CHARGE		\$
ENERGY		\$0.00
FIRST 250 KWH	KWH	\$/KWH
NEXT 12250 KWH	1,723,398	0.0780
NEXT BLOCK	3,380,329	0.0680
BALANCE KWH		0.0680
MINIMUM BILLS		0.0680
SUTOTAL	0	
	5,103,727	\$0.00
DEMAND		
FIRST 50 KW	KW	\$/KW
NEXT BLOCK	0	6.2500
BALANCE KW	18,117	6.2500
MINIMUM BILLS		
SUBTOTAL	0	
	18,117	\$0.00
NUMBER OF CUSTOMERS (YEAR-END 1999)	22	

TIME OF USE > 50 KW BLOCK	SALES IN BLOCK	BLOCK RATE REQUIREMENT	REVENUE
SERVICE CHARGE			\$0.00
ENERGY			
WINTER PEAK FIRST BLOCK	KWH	\$/KWH	
WINTER PEAK NEXT BLOCK	12,289,500	0.0723	
WINTER PEAK NEXT BLOCK		0.0723	
WINTER BALANCE BLOCK		0.0723	
WINTER OFF PEAK ALL		0.0723	
SUMMER PEAK FIRST BLOCK	8,908,800	0.0441	
SUMMER PEAK NEXT BLOCK	12,134,100	0.0614	
SUMMER PEAK NEXT BLOCK		0.0614	
SUMMER BALANCE BLOCK		0.0614	
SUMMER OFF PEAK ALL		0.0614	
MINIMUM BILLS	8,609,300	0.0332	
SUBTOTAL	0		\$0.00
	41,941,800		
DEMAND			
WINTER FIRST 50 KW	KW	\$/KW	
WINTER SECOND BLOCK	52,053	9.4700	
WINTER BALANCE BLOCK		9.4700	
SUMMER FIRST 50 KW		9.4700	
SUMMER SECOND BLOCK	54,799	7.0900	
SUMMER BALANCE BLOCK		7.0900	
MINIMUM BILLS		7.0900	
SUBTOTAL	0		\$0.00
	106,852		
NUMBER OF CUSTOMERS (YEAR-END 1999)	6		

INTERMEDIATE USE

	SALES IN BLOCK	RATE
WINTER PEAK	KW	\$/KW
SUMMER PEAK		
SUBTOTAL	0	
WINTER PEAK	KWH	\$/KWH
WINTER OFF PEAK		
SUMMER PEAK		
SUMMER OFF-PEAK		
SUBTOTAL	0	
NUMBER OF CUSTOMERS (YEAR-END 1999)		

STREET LIGHTING

NON-TIME-OF-USE	SALES IN BLOCK	BLOCK RATE \$/CONNECTED KW
	1,668	31.73

OFF-PEAK	1,571,018	1,268,353	1,207,997	1,235,253	952,166	886,614	1,193,796	1,043,141	893,452	998,137	1,009,686	1,534,807	14,001,401	7,702,760	6,396,641
TOTAL	3,140,793	2,677,911	2,670,644	2,480,432	2,009,539	2,023,751	2,313,670	2,214,183	1,907,215	1,990,843	2,387,571	2,846,032	28,423,469		
SENTINEL LIGHTING															
PEAK		2,514	2,361	1,286	1,209	930	640	1,324	1,650	2,409	3,138	2,534	23,971	16,553	7,418
OFF-PEAK	6,936	5,911	6,017	5,834	5,269	4,738	5,239	6,045	6,564	6,564	6,401	71,969	71,969	39,152	
TOTAL	10,076	8,425	8,377	7,120	6,468	5,796	6,199	6,867	7,706	8,972	9,533	10,316	85,962		32,838
GENERAL SERVICE															
PEAK	3,549,663	3,316,474	3,556,814	2,911,038	3,304,622	3,312,046	3,074,412	3,445,718	3,141,247	3,337,767	3,881,075	3,252,639	39,796,556	20,807,472	15,654,758
OFF-PEAK	3,416,013	2,963,020	2,658,055	2,836,778	2,810,027	2,368,636	2,782,220	2,665,976	2,651,123	2,637,072	2,844,202	3,729,494	34,464,005	19,169,384	
TOTAL	6,965,697	6,282,494	6,445,869	5,747,814	6,114,649	5,710,683	5,866,632	6,111,694	5,792,371	6,044,858	6,725,278	6,973,123	74,251,181	18,608,847	
STREET LIGHTING															
PEAK	21,241	17,019	15,079	8,704	5,195	6,756	6,366	8,964	11,238	16,304	21,241	20,267	162,282	112,050	50,212
OFF-PEAK	46,984	40,013	40,728	39,494	35,596	32,478	35,596	38,185	40,923	44,430	43,236	48,562	487,306		
TOTAL	68,205	57,032	55,707	48,198	43,781	39,234	41,962	47,159	52,160	60,735	64,567	68,829	649,588	265,024	222,282
this is a subset of general service)															
GENERAL SERVICE (50 KW)															
PEAK	1,369,633	1,241,608	1,316,481	920,336	945,323	983,141	836,126	875,271	850,284	927,652	1,217,452	1,403,451	12,864,690	7,476,217	5,406,482
OFF-PEAK	1,360,309	1,089,086	1,111,715	866,516	734,330	705,349	729,593	646,781	690,896	782,648	942,076	1,655,503	11,271,574		
TOTAL	2,719,942	2,340,696	2,366,190	1,806,853	1,696,074	1,586,074	1,555,639	1,523,062	1,547,175	1,710,300	2,159,528	3,058,954	24,136,264	6,874,738	4,396,354

[illegible][illegible]

	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	WINTER PEAK	SUMMER PEAK
RESIDENTIAL	6,316												
COMMERCIAL	6,425	4,416		4,085	4,563	4,623	4,239	3,960	4,075	5,267	6,326	33,592	23,542
GENERAL LIGHTING	22	22				0		0	20	22	131	131	132
STREET LIGHTING	11,026	10,213	10,367	10,274	13,060	12,236	13,264	10,711	9,953	10,800	12,011	64,920	68,442
POWER PLANT	150	150	150						1,135	150	150	887	150
GENERAL SERVICE 450 KW	4,015	4,683	3,721	3,037	3,342	3,793	3,004	3,336	3,604	3,288	5,075	25,464	20,234

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 3 - COST OF POWER CALCULATIONS

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
00-Jan-00
37676
Tim Curtis
0

COST OF POWER (COP) CALCULATIONS

RESIDENTIAL

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) WHOLESALE VOLUME	33,592	25,912	7,961,414	7,702,760	6,460,655	6,298,641	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	33,592	25,912	7,961,414	7,702,760	6,460,655	6,298,641	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$404,785	\$233,722	\$484,850	\$258,042	\$324,971	\$144,869	\$1,851,240
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10.00	6.00	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(N) TOTAL RESIDENTIAL COP =(G)+(J)+(M)	\$404,785	\$233,722	\$484,850	\$258,042	\$324,971	\$144,869	\$1,851,240

SENTINEL LIGHTS

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) WHOLESALE VOLUME	131	22	16,553	39,152	7,418	32,838	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	131	22	16,553	39,152	7,418	32,838	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$1,580	\$200	\$1,008	\$1,312	\$373	\$755	\$5,229
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(N) TOTAL SENTINEL LIGHTS COP =(G)+(J)+(M)	\$1,580	\$200	\$1,008	\$1,312	\$373	\$755	\$5,229

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GENERAL SERVICE <50 KW

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) WHOLESALE VOLUME	25,464	20,234	7,476,217	6,874,738	5,408,482	4,396,354	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	25,464	20,234	7,476,217	6,874,738	5,408,482	4,396,354	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$306,844	\$182,509	\$455,302	\$230,304	\$272,047	\$101,116	\$1,548,121
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(N) TOTAL GENERAL SERVICE < 50 KW COP =(G)+(J)+(M)	\$306,844	\$182,509	\$455,302	\$230,304	\$272,047	\$101,116	\$1,548,121

GENERAL SERVICE NON TIME OF USE >50 KW

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
TOTAL GENERAL SERVICE VOLUME	64,920	69,942	20,607,472	18,609,847	19,189,084	15,854,758	
Less GENERAL SERVICE TIME OF USE	41,642	43,839	13,088,916	9,488,229	12,923,302	9,169,249	
Less INTERMEDIATE USE	0	0	0	0	0	0	
Less GENERAL SERVICE <50 KW	25,464	20,234	7,476,217	6,874,738	5,408,482	4,396,354	
(A) WHOLESALE VOLUME	-2,187	5,868	42,339	2,246,880	857,300	2,289,155	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	-2,187	5,868	42,339	2,246,880	857,300	2,289,155	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	(\$26,348)	\$52,933	\$2,578	\$75,270	\$43,122	\$52,651	\$200,207
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(J) TOTAL GENERAL SERVICE NON TIME OF USE >50 KW COP =(G)+(J)+(M)	(\$26,348)	\$52,933	\$2,578	\$75,270	\$43,122	\$52,651	\$200,207

GENERAL SERVICE TIME OF USE > 50 KW

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) RETAIL VOLUME	52,053	54,799	12,289,600	8,908,800	12,134,100	8,609,300	
(B) COINCIDENCE FACTOR	0.800	0.800					
(C) SYSTEM LOSS ADJUST.			1.07	1.07	1.07	1.07	
(D) WHOLESALE VOLUME	41,642	43,839	13,088,916	9,488,229	12,923,302	9,169,249	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					

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(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	41,642	43,839	13,088,916	9,488,229	12,923,302	9,169,249	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$501,791	\$395,431	\$797,115	\$317,856	\$650,042	\$210,893	\$2,873,127
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	\$0
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(N) TOTAL GENERAL SERVICE TIME OF USE COP =(G)+(J)+(M)	\$501,791	\$395,431	\$797,115	\$317,856	\$650,042	\$210,893	\$2,873,127

INTERMEDIATE USE MONTHLY DEMAND > 3000 KW but less than 5000 KW

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) RETAIL VOLUME	0	0	0	0	0	0	
(B) COINCIDENCE FACTOR	0.981	0.991					
(C) SYSTEM LOSS ADJUST.							
(D) WHOLESALE VOLUME	0	0	1.07	1.07	1.07	1.07	
			0	0	0	0	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	0	0	0	0	0	0	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(H) PURCHASED AT >115 KV	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(K) PERCENT PURCHASED AT 230 KV	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(N) TOTAL INTERMEDIATE USE COP =(G)+(J)+(M)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STREET LIGHTING

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) WHOLESALE VOLUME	887	150	112,050	265,024	50,212	222,282	
(B) PERCENT PURCHASED AT <115 KV	1.000	1.000					
(C) PERCENT PURCHASED AT >115 KV	0.000	0.000					
(D) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(E) PURCHASED AT <115 KV	887	150	112,050	265,024	50,212	222,282	
(F) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(G) COP =(E)*(F)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$10,684	\$1,355	\$6,824	\$8,878	\$2,526	\$5,112	\$35,380

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(H) PURCHASED AT >115 KV

	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(K) PERCENT PURCHASED AT 230 KV							\$0
	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	10	6	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(N) TOTAL STREET LIGHTING COP (G)+(J)+(M)	\$10,684	\$1,355	\$6,824	\$8,878	\$2,526	\$5,112	\$35,380

LARGE USE

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) RETAIL VOLUME	0	0	0	0	0	0	
(B) COINCIDENCE FACTOR	0.981	0.991					
(C) SYSTEM LOSS ADJUST.							
(D) WHOLESALE VOLUME	0	0	1.01	1.01	1.01	1.01	
			0	0	0	0	
(E) PERCENT PURCHASED AT < 115 KV	1.000	1.000					
(F) PERCENT PURCHASED AT > 115 KV	0.000	0.000					
(G) PERCENT PURCHASED AT 230 KV	0.000	0.000					
(H) PURCHASED AT <115 KV							
	0	0	0	0	0	0	
(I) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(J) COP =(H)*(I)	12.05	9.02	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(K) PURCHASED AT >115 KV							\$0
	0	0	0	0	0	0	
(L) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(M) COP =(K)*(L)	11.02	7.99	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(N) PURCHASED AT 230 KV							\$0
	0	0	0	0	0	0	
(O) WHOLESALE RATES	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
(P) COP =(N)*(O)	10.00	6.00	0.0609	0.0335	0.0503	0.023	
	\$0	\$0	\$0	\$0	\$0	\$0	
(Q) TOTAL LARGE USE COP (J)+(M)+(P)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

COST OF POWER RECONCILIATION CALCULATIONS

CALCULATE ADJUSTED COP

	CALCULATED COP A	ACTUAL COP B	DIFFERENCE C=A-B	CLASS SHARE D	ADJUSTMENT E=C*D	ADJUSTED COP A-E
RESIDENTIAL						
SENTINEL LIGHTS	\$1,851,240			0.509	(\$32,370)	\$1,883,609
GENERAL SERVICE NON TIME OF USE >50 KW	\$5,229			0.001	(\$91)	\$5,320
GENERAL SERVICE NON TIME OF USE <50 KW	\$200,207			0.055	(\$3,501)	\$203,708
STREET LIGHTING	\$1,548,121			0.425	(\$27,070)	\$1,575,191
SUBTOTAL	\$35,380			0.010	(\$619)	\$35,999
	\$3,640,177				(\$63,650)	\$3,703,827
LARGE USE						
GENERAL SERVICE TIME OF USE > 50 KW	\$0				\$0	\$0
INTERMEDIATE USE	\$2,873,127				\$0	\$2,873,127
TOTAL	\$0				\$0	\$0
	\$6,513,304	\$6,576,954	(\$63,650)		\$0	\$6,576,954

DISTRIBUTE ADJUSTMENT TO TIME OF USE PERIODS

RESIDENTIAL

	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) RESIDENTIAL COP \$							
(B) TOU SHARE OF TOTAL COP	\$404,785	\$233,722	\$484,850	\$258,042	\$324,971	\$144,869	\$1,851,240
(C) ADJUSTMENT \$ (B)*E	0.219	0.126	0.262	0.139	0.176	0.078	
	(\$7,078)	(\$4,087)	(\$8,478)	(\$4,512)	(\$5,682)	(\$2,533)	(\$32,370)

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ADJUSTED TOU COP \$ (A)-(C)	\$411,863	\$237,809	\$493,328	\$262,554	\$330,653	\$147,402	\$1,883,609
SENTINEL LIGHTS	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) SENTINEL LIGHTS COP \$	\$1,580	\$200	\$1,008	\$1,312	\$373	\$755	\$5,229
(B) TOU SHARE OF TOTAL COP	0.302	0.038	0.193	0.251	0.071	0.144	
(C) ADJUSTMENT \$ (B)*E	(\$28)	(\$4)	(\$18)	(\$23)	(\$7)	(\$13)	(\$91)
ADJUSTED TOU COP \$ (A)-(C)	\$1,608	\$204	\$1,026	\$1,335	\$380	\$768	\$5,320
GENERAL SERVICE NON TIME OF USE >50 KW	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) GENERAL SERVICE COP \$	(\$26,348)	\$52,933	\$2,578	\$75,270	\$43,122	\$52,651	\$200,207
(B) TOU SHARE OF TOTAL COP	-0.132	0.264	0.013	0.376	0.215	0.263	
(C) ADJUSTMENT \$ (B)*E	\$461	(\$926)	(\$45)	(\$1,316)	(\$754)	(\$921)	(\$3,501)
ADJUSTED TOU COP \$ (A)-(C)	(\$26,808)	\$53,858	\$2,624	\$76,587	\$43,876	\$53,571	\$203,708
GENERAL SERVICE <50 KW	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) GENERAL SERVICE <50 KW COP \$	\$306,844	\$182,509	\$455,302	\$230,304	\$272,047	\$101,116	\$1,548,121
(B) TOU SHARE OF TOTAL COP	0.198	0.118	0.294	0.149	0.176	0.065	
(C) ADJUSTMENT \$ (B)*E	(\$5,365)	(\$3,191)	(\$7,961)	(\$4,027)	(\$4,757)	(\$1,768)	(\$27,070)
ADJUSTED TOU COP \$ (A)-(C)	\$312,210	\$185,700	\$463,263	\$234,331	\$276,803	\$102,884	\$1,575,191
STREET LIGHTING	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) STREET LIGHTING COP \$	\$10,684	\$1,355	\$6,824	\$8,878	\$2,526	\$5,112	\$35,380
(B) TOU SHARE OF TOTAL COP	0.302	0.038	0.193	0.251	0.071	0.145	
(C) ADJUSTMENT \$ (B)*E	(\$187)	(\$24)	(\$119)	(\$155)	(\$44)	(\$89)	(\$619)
ADJUSTED TOU COP \$ (A)-(C)	\$10,871	\$1,379	\$6,943	\$9,034	\$2,570	\$5,202	\$35,999
LARGE USE	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) LARGE USE COP \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(B) TOU SHARE OF TOTAL COP	0.000	0.000	0.000	0.000	0.000	0.000	
(C) ADJUSTMENT \$ (B)*E	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED TOU COP \$ (A)-(C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL SERVICE TIME OF USE > 50 KW	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) GENERAL SERVICE TOU COP \$	\$501,791	\$395,431	\$797,115	\$317,856	\$650,042	\$210,893	\$2,873,127
(B) TOU SHARE OF TOTAL COP	0.175	0.138	0.277	0.111	0.226	0.073	
(C) ADJUSTMENT \$ (B)*E	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED TOU COP \$ (A)-(C)	\$501,791	\$395,431	\$797,115	\$317,856	\$650,042	\$210,893	\$2,873,127
INTERMEDIATE USE	WINTER PEAK KW	SUMMER PEAK KW	WINTER PEAK KWH	WINTER OFF-PEAK KWH	SUMMER PEAK KWH	SUMMER OFF-PEAK KWH	TOTAL
(A) INTERMEDIATE USE COP \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(B) TOU SHARE OF TOTAL COP	0.000	0.000	0.000	0.000	0.000	0.000	
(C) ADJUSTMENT \$ (B)*E	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED TOU COP \$ (A)-(C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

DISTRIBUTION DATE
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SHEET4 - REVENUE REQTS & DISTR. CHARGES

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
00-Jan-00
37676
Tim Curtis
0

RATE CLASS REVENUE REQUIREMENTS AND DISTRIBUTION CHARGES

RESIDENTIAL

CALCULATE REVENUE REQUIREMENTS

BLOCK	SALES KWH	BLOCK RATE \$/KWH	REVENUE REQUIREMENT \$
NON TIME OF USE:			
SERVICE CHARGE			0
FIRST 250 KWH	8,040,322	0.1374	\$ 1,104,740.24
BALANCE OF KWH	18,618,944	0.0833	\$ 1,550,958.04
SUBTOTAL	26,659,266		\$ 2,655,698.28
TIME OF USE:			
SERVICE CHARGE			\$ -
WINTER PEAK 250 KWH	0	0 \$	-
WINTER PEAK BALANCE	0	0 \$	-
WINTER OFF PEAK ALL	0	0 \$	-
SUMMER PEAK 250 KWH	0	0 \$	-
SUMMER PEAK BALANCE	0	0 \$	-
SUMMER OFF PEAK ALL	0	0 \$	-
SUBTOTAL	0	0 \$	-
MINIMUM BILLS	28434		12663.5
TOTAL REVENUE REQUIREMENT	26,687,700		\$ 2,668,361.78

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

TOTAL ANNUAL REVENUE	COST OF POWER	DISTRIBUTION REVENUE
A	B	C=A-B
\$ 2,668,361.78	\$ 1,883,609.23	\$ 784,752.55

CALCULATE DISTRIBUTION ENERGY (KWH) RATE

INCREMENTAL DISTRIBUTION COST PER KWH	RETAIL KWH	VARIABLE REVENUE
A	B	E=A*B
0.0062	26,687,700	\$ 165,463.74

RESIDENTIAL DISTRIBUTION MONTHLY SERVICE CHARGE AND COP KWH RATE

DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF CUSTOMERS	DISTRIBUTION SERVICE CHARGE PER MONTH \$/MONTH/CUSTOMER
A	B	C=A-B	D	E=C/D*2
\$ 784,752.55	\$ 165,463.74	\$ 619,288.81	3011	\$17.1396

NOTE: FOR TIME OF USE CUSTOMERS, THERE IS AN ADDITIONAL CHARGE FOR METERS. THIS AMOUNTS TO AN ADDITIONAL CHARGE OF \$5.50 PER METER PER MONTH AND WILL BE SHOWN AS A SEPARATE CHARGE. IF THE CHARGE FOR YOUR UTILITY DIFFERS FROM THIS, USE YOUR UTILITY SPECIFIC CHARGE.

COP KWH RATE	COST OF POWER \$/KWH F	ANNUAL KWH G	COST OF POWER RATE \$/KWH H=F/G 0.0706
\$ 1,883,609.23		26,687,700	

RESIDENTIAL CLASS TOU RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF-PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF-PEAK (KWH)
(A) COP \$						
(B) TOTAL COP/TOU PERIOD \$	\$ 411,862.86	\$ 237,809.01	\$ 493,327.91	\$ 262,554.45	\$ 330,653.18	\$ 147,401.83
(C) WHOLESALE KWH			\$ 905,190.77	\$ 262,554.45	\$ 568,462.19	\$ 147,401.83
(D) SYSTEM LOSS ADJUSTMENT			7,961,414	7,702,760	6,460,655	6,298,641
(E) RETAIL KWH (C)/(D)			1.065	1.065	1.065	1.065
(D) TOU RATES (B)/(E) \$/KWH			7,475,225	7,232,367	6,066,114	5,913,994
			0.1211	0.0363	0.0937	0.0249

SENTINEL LIGHTS

NON TIME OF USE

CALCULATE REVENUE REQUIREMENTS

SALES IN BLOCK	BLOCK RATE	REVENUE
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	KW	\$/CONNECT- ED KW	
	129	34.90	\$ 4,502.10
TOTAL	129		\$ 4,502.10

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

	TOTAL ANNUAL REVENUE	COST OF POWER	DISTRIBUTION REVENUE
	A \$ 6,760.28	B \$5,320	C=A-B \$ 1,439.89

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE SENTINEL LIGHTS CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81	VARIABLE REVENUE \$	RETAIL KW	DISTRIBUTION KW RATE
		0.211	0.789	A	B	C=A/B
(A) SENTINEL LIGHT REVENUE	\$ 1,439.89			\$ 303.60	129	2.3535
(B) REVENUE SHARE		0.211	0.789			
(C) (A)/(B)		\$ 303.60	\$ 1,136.29			

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY ONNECTIONS	MONTHLY SERVICE CHARGE \$/MONTH/CONNECTION
SENTINEL LIGHT MONTHLY SERVICE CHARGE					
MONTHLY SERVICE CHARGE	A \$ 1,439.89	B \$ 303.60	C=A-B \$ 1,136.29	D 50	E=C/D/12 \$1.8938

SENTINEL LIGHT COST OF POWER RATES

	WINTER PEAK (KW) 1	SUMMER PEAK (KW) 2	WINTER PEAK (KWH) 3	WINTER OFF PEAK (KWH) 4	SUMMER PEAK (KWH) 5	SUMMER OFF PEAK (KWH) 6
(A) COP \$	\$1,608	\$204	\$1,026	\$1,335	\$380	\$768
(B) TOTAL COP \$	\$5,320					
(C) RETAIL KW	129					
(D) KW RATE (B)/(C)	\$ 41.24					

OR

SENTINEL LIGHTS TIME OF USE

CALCULATE REVENUE REQUIREMENTS

	SALES IN BLOCK KW	BLOCK RATE \$/CONNECT- ED KW	REVENUE
WINTER DEMAND	0	0.00	\$ -
SUMMER DEMAND	0	0.00	\$ -
TOTAL	0		\$ -

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

	TOTAL ANNUAL REVENUE	COST OF POWER	DISTRIBUTION REVENUE
	A \$ -	B \$5,320	C=A-B \$ (5,320.39)

DISTRIBUTION DATE
APRIL 10, 2000

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE SENTINEL LIGHTS CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81	VARIABLE REVENUE \$	RETAIL KW	DISTRIBUTION KW RATE
		0.211	0.789	A	B	C=A/B
(A) SENTINEL LIGHT REVENUE (B) REVENUE SHARE	\$ (5,320.39)			\$ (1,121.79)	0	#DIV/0!
(C) (A)/(B)		\$ (1,121.79)	\$ (4,198.59)			

SENTINEL LIGHT MONTHLY SERVICE CHARGE	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY ONNECTIONS	MONTHLY SERVICE CHARGE \$/MONTH/CONNECTION
MONTHLY SERVICE CHARGE	\$ (5,320.39)	\$ (1,121.79)	\$ (4,198.59)	D 50	E=C/D/12 (\$6.9977)

SENTINEL LIGHT COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
(A) COP \$	1 \$1,608	2 \$204	3 \$1,026	4 \$1,335	5 \$380	6 \$768
(B) WINTER/SUMMER COP \$	1+3+4 \$3,968	2+5+6 \$1,352				
(C) RETAIL KW	0	0				
(D) KW RATE (B)/(C)	#DIV/0!	#DIV/0!				

GENERAL SERVICE

NON TIME OF USE <50 KW

CALCULATE REVENUE REQUIREMENT

SERVICE CHARGE	SALES IN BLOCK	BLOCK RATE	REVENUE REQUIREMENT \$
ENERGY	KWH	\$/KWH	
FIRST 250 KWH	7,469,254	0.0975	728,252
NEXT 12250 KWH	15,205,900	0.0680	1,034,001
NEXT BLOCK	0	0.0680	0
BALANCE KWH	0	0.0680	0
MINIMUM BILLS	5,407		0
SUBTOTAL	22,680,641		1,762,253
DEMAND	KW	\$/KW	
FIRST 50 KW	80,081	4.3000	344,349
SUBTOTAL	80,081		344,349
TOTAL			2,106,602

NON TIME OF USE <50 KW

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

ANNUAL REVENUE	COST OF POWER TOTAL	DISTRIBUTION REVENUE
A \$ 2,105,112.16	B \$1,575,191	C=A-B \$ 529,921.15

DISTRIBUTION DATE
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TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE <50 KW CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KWH) RATE		
				VARIABLE REVENUE \$ A	RETAIL KWH B	DISTRIBUTION KWH RATE C=A/B
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81			
		0.211	0.789			
(A) <50 KW CLASS REVENUE (B) REVENUE SHARE	\$ 529,921.15			\$ 111,732.97	22,680,641	\$0.0049
(C) (A)/(B)		0.211	0.789			
		\$ 111,732.97	\$ 418,188.18			

<50 KW CLASS MONTHLY SERVICE CHARGE

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY CUSTOMERS	MONTHLY SERVICE CHARGE \$/MONTH/CUSTOMER
	\$ A	\$ B	\$ C=A-B	D	E=C/D*12
MONTHLY SERVICE CHARGE	\$ 529,921.15	\$ 111,732.97	\$ 418,188.18	444	\$78.4880

NOTE: FOR TIME OF USE CUSTOMERS, THERE IS AN ADDITIONAL CHARGE FOR METERS. THIS AMOUNTS TO AN ADDITIONAL CHARGE OF \$5.50 PER METER PER MONTH AND WILL BE SHOWN AS A SEPARATE CHARGE. IF THE CHARGE FOR YOUR UTILITY DIFFERS FROM THIS, USE YOUR UTILITY SPECIFIC CHARGE.

< 50 KW COST OF POWER RATE

	COST OF POWER F	ANNUAL KWH G	COST OF POWER RATE \$/KWH H=F/G 0.0695
COP KWH RATE	\$ 1.575,191.01	22,680,641	

<50 KW CLASS TIME OF USE RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF-PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF-PEAK (KWH)
(A) COP \$						
(B) TOTAL COP/TOU PERIOD \$	\$ 312,209.50	\$ 185,700.30	\$ 463,262.77	\$ 234,330.68	\$ 276,803.47	\$ 102,884.20
			\$ 775,472.35	\$ 234,330.68	\$ 462,503.78	\$ 102,884.20
(C) WHOLESALE KWH			7,476,217	6,874,738	5,408,482	4,398,354
(D) SYSTEM LOSS ADJUSTMENT			1.065	1.065	1.065	1.065
(E) RETAIL KWH (C)/(D)			7,019,658	6,454,910	5,078,196	4,127,877
(D) TOU RATES (B)/(E) \$/KWH			0.1105	0.0363	0.0911	0.0249

NON-TIME OF USE >50 KW

CALCULATE REVENUE REQUIREMENT

BLOCK	BLOCK	RATE REQUIREMENT
SERVICE CHARGE		\$0.00
ENERGY		
FIRST 250 KWH	KWH	\$/KWH
NEXT 12250 KWH	1,723,398	0.0780 \$ 134,425.04
NEXT BLOCK	3,380,329	0.0680 \$ 229,862.37
BALANCE KWH	0	0.0680 \$ -
MINIMUM BILLS	0	0.0680 \$ -
SUBTOTAL		\$0.00
	5,103,727	\$ 364,287.42
DEMAND		
FIRST 50 KW	KW	\$/KW
NEXT BLOCK	0	6.2500 \$ -
BALANCE KW	18,117	6.2500 \$ 113,229.00
MINIMUM BILLS	0	0.0000 \$ -
SUBTOTAL		\$0.00
	18,117	\$ 113,229.00
TOTAL		\$ 477,516.42

NON-TIME OF USE >50 KW

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

ANNUAL REVENUE	COST OF POWER TOTAL	DISTRIBUTION REVENUE
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DISTRIBUTION DATE
APRIL 10, 2000

	A	B	C=A-B
\$	476,748.54	\$203,708	\$ 273,040.96

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE NON-TIME OF USE >50 KW SUB-CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE
RESIDENTIAL CLASS REVENUE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81	
REVENUE SHARE		0.211	0.789	
(A) NON-TIME OF USE >50 KW REVENUE	\$ 273,040.96			
(B) REVENUE SHARE		0.211	0.789	
(C) (A)*(B)		\$ 57,570.22	\$ 215,470.74	

NON-TIME OF USE >50 KW MONTHLY SERVICE CHARGE

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY CUSTOMERS	MONTHLY SERVICE CHARGE \$/MONTH/CUSTOMER
	\$	\$	\$		
	A	B	C=A-B	D	E=C/D/12
MONTHLY SERVICE CHARGE	\$ 273,040.96	\$ 57,570.22	\$ 215,470.74	22	\$816.1770

NON-TIME OF USE > 50 KW COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
(A) NON TIME OF USE COP \$	\$ (26,808.34)	\$ 53,858.41	\$ 2,623.52	\$ 76,586.62	\$ 43,876.20	\$ 53,571
(B) TOTAL DEMAND COST 1+2		\$ 27,050.07				
(C) TOTAL ENERGY COST 3+4+5+6		\$ 176,657.51				
(D) TOTAL KW SALES	KW	18,117				
(E) TOTAL KWH SALES	KWH	5,103,727				
(F) COP KW RATE (B)/(D)	\$/KW	1.4931				
(G) COP KWH RATE (C)/(E)	\$/KWH	0.0346				

TIME OF USE > 50 KW

CALCULATE REVENUE REQUIREMENT

BLOCK	SALES IN BLOCK	BLOCK RATE	REVENUE REQUIREMENT
SERVICE CHARGE		\$	-
ENERGY	KWH	\$/KWH	
WINTER PEAK FIRST BLOCK	12,289,600	0.0723	\$ 888,538.08
WINTER PEAK NEXT BLOCK	0	0.0723	\$ -
WINTER PEAK NEXT BLOCK	0	0.0723	\$ -
WINTER BALANCE BLOCK	0	0.0723	\$ -
WINTER OFF PEAK ALL	0	0.0723	\$ -
SUMMER PEAK FIRST BLOCK	8,908,800	0.0441	\$ 392,878.08
SUMMER PEAK NEXT BLOCK	12,134,100	0.0614	\$ 745,033.74
SUMMER PEAK NEXT BLOCK	0	0.0614	\$ -
SUMMER BALANCE BLOCK	0	0.0614	\$ -
SUMMER OFF PEAK ALL	0	0.0614	\$ -
MINIMUM BILLS	8,609,300	0.0332	\$ 285,628.76
SUBTOTAL	41,941,800		\$ 2,312,278.66
DEMAND	KW	\$/KW	
WINTER FIRST 50 KW	52,053	9.4700	\$ 492,942.00
WINTER SECOND BLOCK	0	9.4700	\$ -
WINTER BALANCE BLOCK	0	9.4700	\$ -
SUMMER FIRST 50 KW	54,799	7.0900	\$ 388,526.00
SUMMER SECOND BLOCK	0	7.0900	\$ -
SUMMER BALANCE BLOCK	0	7.0900	\$ -
MINIMUM BILLS	0		\$ -
SUBTOTAL	106,852		\$ 881,468.00
TOTAL			\$ 3,193,746.66

TIME OF USE > 50 KW

DISTRIBUTION DATE
APRIL 10, 2000

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

ANNUAL REVENUE	COST OF POWER TOTAL	DISTRIBUTION REVENUE
A \$ 3,193,746.66	B \$2,873,127	C=A-B \$ 320,619.46

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE TIME OF USE SUB-CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
				VARIABLE REVENUE \$	RETAIL KW	DISTRIBUTION KW RATE
RESIDENTIAL CLASS REVENUE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81			
REVENUE SHARE		0.211	0.789			
(A) TIME OF USE REVENUE	\$ 320,619.46			\$ 67,602.07		
(B) REVENUE SHARE		0.211	0.789			
(C) (A)/(B)		\$ 67,602.07	\$ 253,017.39		106,852	0.6327

TIME OF USE MONTHLY SERVICE CHARGE

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY CUSTOMERS	MONTHLY SERVICE CHARGE \$/MONTH/CUSTOMER
	\$	\$	\$		
MONTHLY SERVICE CHARGE	\$ 320,619.46	\$ 67,602.07	\$ 253,017.39	D 6	E=C/D/12 \$3,514.1305

NOTE: FOR TIME OF USE CUSTOMERS, THERE IS AN ADDITIONAL CHARGE FOR METERS IF NOT ALREADY INCLUDED IN THE RATES. THIS AMOUNTS TO AN ADDITIONAL CHARGE OF \$5.50 PER METER PER MONTH AND WILL BE SHOWN AS A SEPARATE CHARGE. IF THE CHARGE FOR YOUR UTILITY DIFFERS FROM THIS, USE YOUR UTILITY SPECIFIC CHARGE.

TIME OF USE COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
	1	2	3	4	5	6
(A) TIME OF USE COP \$	\$ 501,791.01	\$ 395,430.69	\$ 797,114.99	\$ 317,855.66	\$ 650,042.11	\$ 210,892.73
(B) KW SALES						
(C) KWH SALES	52,053	54,799				
(D) KW RATE (A)/(B)			12,289,600	8,908,800	12,134,100	8,609,300
(E) KWH RATE (A)/(C)	\$ 9.64	\$ 7.22	\$0.0649	\$0.0357	\$0.0536	\$0.0245

INTERMEDIATE USE

CALCULATE REVENUE REQUIREMENT

	SALES IN BLOCK	RATE	REVENUE
	KW	\$/KW	\$
WINTER PEAK	0	0.00	\$ -
SUMMER PEAK	0	0.00	\$ -
SUBTOTAL	0	\$	\$ -
	KWH	\$/KWH	\$
WINTER PEAK	0	0	\$ -
WINTER OFF PEAK	0	0	\$ -
SUMMER PEAK	0	0	\$ -
SUMMER OFF-PEAK	0	0	\$ -
SUBTOTAL	0	\$	\$ -
TOTAL		\$	\$ -

INTERMEDIATE USE

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

ANNUAL REVENUE	COST OF POWER TOTAL	DISTRIBUTION REVENUE
-------------------	---------------------------	-------------------------

DISTRIBUTION DATE
APRIL 10, 2000

A B C=A-B
\$ \$0 \$ -

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE INTERMEDIATE USE SUB-CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81	VARIABLE REVENUE \$	RETAIL KW	DISTRIBUTION KW RATE
		0.211	0.789	\$ A	B	C=A/B
(A) INTERMEDIATE USE REVENUE	\$ -			\$ -	0	#DIV/0!
(B) REVENUE SHARE		0.211	0.789			
(C) (A)/(B)		\$ -	\$ -			

INTERMEDIATE USE MONTHLY SERVICE CHARGE

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY CUSTOMERS	MONTHLY SERVICE CHARGE \$/MONTH/CUSTOMER
MONTHLY SERVICE CHARGE	\$ -	\$ -	\$ -	D	E=C/D*12
	A	B	C=A-B	0	#DIV/0!

INTERMEDIATE USE COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
(A) COP \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(B) KW SALES	0	0	0	0	0	0
(C) RETAIL KWH SALES						
(D) KW RATE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
(E) KWH RATE (A)/(C)						

STREET LIGHTING

NOTE: IF YOUR RESULTS FROM THE CALCULATION METHODOLOGY BELOW TURN OUT NEGATIVE FOR DISTRIBUTION REVENUE YOU MAY WANT TO CONSIDER THE FOLLOWING SUGGESTION TO SOLVE THIS PROBLEM.

- (1) ADD THE TOTAL ANNUAL REVENUE FOR THE GENERAL SERVICE <50 KW AND GENERAL SERVICE >50 KW TOGETHER. DO THE SAME FOR DISTRIBUTION REVENUE. THEN CALCULATE THE PERCENTAGE SHARE OF THE DISTRIBUTION REVENUE TO TOTAL ANNUAL REVENUE.
- (2) APPLY THIS PERCENTAGE TO THE TOTAL ANNUAL REVENUE FOR STREETLIGHTING TO DETERMINE THE DISTRIBUTION REVENUE FOR THIS CLASS AND PROCEED WITH THE REST OF THE ORIGINAL CALCULATION METHODOLOGY. YOU WILL HAVE TO ADJUST THE RATES TO REFLECT THE AMOUNT OF THE CALCULATED DISTRIBUTION REVENUE.
- (3) TO REMAIN REVENUE NEUTRAL, YOU WILL THEN HAVE TO SUBTRACT THE DISTRIBUTION REVENUE AMOUNT FROM THE GENERAL SERVICE <50 KW AND GENERAL SERVICE >50 KW GROUPS REVENUE REQUIREMENTS AND ADJUST RATES ACCORDINGLY.

STREET LIGHTING NON TIME OF USE

CALCULATE REVENUE REQUIREMENTS

	SALES IN BLOCK KW	BLOCK RATE \$/CONNECT- ED KW	REVENUE
	1,668	31.73	\$ 52,925.64
TOTAL	1,668		\$ 52,925.64

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

	TOTAL ANNUAL REVENUE	COST OF POWER	DISTRIBUTION REVENUE
	A	B	C=A-B
	\$ 52,925.64	\$ 35,998.59	\$ 16,927.05

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

DISTRIBUTION DATE
APRIL 10, 2000

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE STREET LIGHTING CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
				VARIABLE REVENUE \$	RETAIL KW	DISTRIBUTION KW RATE
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74 0.211	\$ 619,288.81 0.789	\$ A	B	C=A/B
(A) STREET LIGHTING REVENUE (B) REVENUE SHARE	\$ 16,927.05	0.211	0.789	\$ 3,569.04	1,668	\$ 2.1397
(C) (A)*(B)		\$ 3,569.04	\$ 13,358.01			

STREET LIGHTING MONTHLY SERVICE CHARGE	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY ONNECTIONS	SERVICE CHARGE \$/MONTH/CONNECTION
MONTHLY SERVICE CHARGE	\$ A 16,927.05	\$ B 3,569.04	\$ C=A-B 13,358.01	D 590	E=C/D/12 \$1.8867

STREET LIGHTING COST OF POWER RATES

	WINTER PEAK (KW) 1	SUMMER PEAK (KW) 2	WINTER PEAK (KWH) 3	WINTER OFF PEAK (KWH) 4	SUMMER PEAK (KWH) 5	SUMMER OFF PEAK (KWH) 6
(A) COP \$	\$10,871	\$1,379	\$6,943	\$9,034	\$2,570	\$5,202
(B) TOTAL COP \$	\$35,999					
(C) RETAIL KW	1,668					
(D) KW RATE (B)/(C)	\$ 21.58					

OR

STREET LIGHTING TIME OF USE

CALCULATE REVENUE REQUIREMENTS

	SALES IN BLOCK KW	BLOCK RATE \$/CONNECT- ED KW	REVENUE	CALCULATE DISTRIBUTION REVENUE REQUIREMENT		
				TOTAL ANNUAL REVENUE	COST OF DISTRIBUTION POWER	REVENUE
WINTER DEMAND	0					
SUMMER DEMAND	0	0.00	\$ -			
TOTAL	0	0.00	\$ -	\$ A	\$ B	\$ C=A-B
					\$ 35,998.59	\$ (35,998.59)

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE STREET LIGHTING CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	CALCULATE DISTRIBUTION DEMAND (KW) RATE		
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74 0.211	\$ 619,288.81 0.789	VARIABLE REVENUE \$ A (7,590.24)	RETAIL KW B 0	DISTRIBUTION KW RATE C=A/B #DIV/0!
(A) STREET LIGHTING REVENUE (B) REVENUE SHARE (C) (A)*(B)	\$ (35,998.59)	0.211 \$ (7,590.24)	0.789 \$ (28,408.35)			
STREET LIGHTING MONTHLY SERVICE CHARGE	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY ONNECTIONS	MONTHLY SERVICE CHARGE \$/MONTH/CONNECTION	
MONTHLY SERVICE CHARGE	\$ A (35,998.59)	\$ B (7,590.24)	\$ C=A-B (28,408.35)	D 590	E=C/D/12 (\$4.0125)	

DISTRIBUTION DATE
APRIL 10, 2000

STREET LIGHTING COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
(A) COP \$	\$ 10,071.13	\$ 1,379.05	\$ 6,943.19	\$ 9,033.54	\$ 2,569.81	\$ 5,201.88
(B) WINTER/SUMMER COP	\$ 26,847.86	\$ 9,150.74				
(C) RETAIL KW	0	0				
(D) KW RATE (B)/(C)	#DIV/0!	#DIV/0!				

LARGE USE

CALCULATE REVENUE REQUIREMENTS

	SALES IN BLOCK	RATE	REVENUE
WINTER PEAK	KW	\$/KW	
SUMMER PEAK	0	2.29	\$ -
SUBTOTAL	0	1.68	\$ -
	0		\$ -
WINTER PEAK	KWH	\$/KWH	
WINTER OFF PEAK	0	0	\$ -
SUMMER PEAK	0	0	\$ -
SUMMER OFF-PEAK	0	0	\$ -
SUBTOTAL	0	0	\$ -
TOTAL	0		\$ -

CALCULATE DISTRIBUTION REVENUE REQUIREMENT

TOTAL ANNUAL REVENUE	COST OF POWER	DISTRIBUTION REVENUE
\$ -	\$ -	\$ -
A	B	C=A-B

TO CALCULATE VARIABLE REVENUE AND SERVICE CHARGE REVENUE

WE PROPOSE TO USE THE SAME SHARES OF VARIABLE REVENUE AND SERVICE CLASS REVENUE TO DISTRIBUTION REVENUE TO THE LARGE USE CLASS AS THOSE CALCULATED FOR THE RESIDENTIAL CLASS.

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE		VARIABLE REVENUE	RETAIL KW	DISTRIBUTION KW RATE
RESIDENTIAL CLASS REVENUE REVENUE SHARE	\$ 784,752.55	\$ 165,463.74	\$ 619,288.81		\$ -	0	C=A/B #DIV/0!
(A) LARGE USE REVENUE	\$ -	0.211	0.789		A	B	
(B) REVENUE SHARE	\$ -	0.211	0.789				
(C) (A)/(B)							

LARGE USE MONTHLY SERVICE CHARGE

	DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE REVENUE	NUMBER OF MONTHLY CUSTOMERS	MONTHLY SERVICE CHARGE \$/MONTH/CUSTOMER
MONTHLY SERVICE CHARGE	\$ A	\$ B	\$ C=A-B	D	E=C/D*12
	\$ -	\$ -	\$ -	0	#DIV/0!

LARGE USE COST OF POWER RATES

	WINTER PEAK (KW)	SUMMER PEAK (KW)	WINTER PEAK (KWH)	WINTER OFF PEAK (KWH)	SUMMER PEAK (KWH)	SUMMER OFF PEAK (KWH)
(A) COP \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(B) KW SALES	0	0	0	0	0	0
(C) RETAIL KWH SALES						
(D) KW RATE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
(E) KWH RATE (A)/(C)						

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 5 - SUMMARY OF RATES AND CHARGES

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
00-Jan-00
37676
Tim Curtis
0

RATE SUMMARY (BEFORE MARR AND SENSITIVITY ANALYSIS)

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0062
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.14
COST OF POWER KWH RATE	\$0.0706

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0062				
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.14				
COST OF POWER TIME OF USE RATES		WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
		\$/KWH	\$/KWH	\$/KWH	\$/KWH
		\$0.1211	\$0.0363	\$0.0937	\$0.0249

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0049
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$78.49
COST OF POWER KWH RATE	\$0.0695

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0049				
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$78.49				
COST OF POWER TIME OF USE RATES		WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
		\$/KWH	\$/KWH	\$/KWH	\$/KWH
		\$0.1105	\$0.0363	\$0.0911	\$0.0249

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.1778
MONTHLY SERVICE CHARGE	\$816.18
COST OF POWER KW RATE	\$1.4931
COST OF POWER KWH RATE	\$0.0346

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$0.6327
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DISTRIBUTION DATE
APRIL 10, 2000

MONTHLY SERVICE CHARGE (PER CUSTOMER) \$3,514.13

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.6400	\$7.2160	\$0.0649	\$0.0357	\$0.0536	\$0.0245

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (PER CUSTOMER) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (PER CUSTOMER) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (PER CONNECTION) \$1.89

COST OF POWER KW RATE \$41.2433

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (PER CONNECTION) -\$7.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	#DIV/0!	#DIV/0!

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.1397

MONTHLY SERVICE CHARGE (PER CONNECTION) \$1.89

COST OF POWER KW RATE \$21.5819

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (PER CONNECTION) -\$4.01

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	#DIV/0!	#DIV/0!

DISTRIBUTION DATE
APRIL 10, 2000

MISCELLANEOUS CHARGES

PLEASE ADD ANY MISCELLANEOUS CHARGES BELOW.

1999

2000

DISTRIBUTION DATE
MARCH 28, 2000

SHEET 6 - RATE IMPACT ANALYSIS
NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Enstrom Ontario Power
0
00-Jan-00
37676
Tim Curtis
0

RATE IMPACT ANALYSIS BEFORE MARR

RATE IMPACT ANALYSIS IS FOR NON TIME OF USE ONLY. YOU WILL HAVE TO ADD TIME OF USE YOURSELF.

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	0.0706	\$ -		
	FIRST 100 KWH	0.1374	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	0.0833	\$ -	DISTRIBUTION KWH TOTAL	0.0062	\$ -		
	CURRENT BILL					\$ 17.14	\$	17.14 #DIV/0!
MONTHLY CONSUMPTION OF 250 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	250 0.0706	\$ 17.64		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	150 0.0833	\$ 12.50	DISTRIBUTION KWH TOTAL	250 0.0062	\$ 1.55		
			\$ 26.24			\$ 36.33	\$	10.10 38.5%
MONTHLY CONSUMPTION OF 500 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	500 0.0706	\$ 35.29		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	400 0.0833	\$ 33.32	DISTRIBUTION KWH TOTAL	500 0.0062	\$ 3.10		
			\$ 47.06			\$ 55.53	\$	8.47 18.0%
MONTHLY CONSUMPTION OF 750 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	750 0.0706	\$ 52.93		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	650 0.0833	\$ 54.15	DISTRIBUTION KWH TOTAL	750 0.0062	\$ 4.65		
			\$ 67.89			\$ 74.72	\$	6.84 10.1%
MONTHLY CONSUMPTION OF 1000 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	1000 0.0706	\$ 70.58		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	1000 0.0833	\$ 83.30	DISTRIBUTION KWH TOTAL	1500 0.0062	\$ 8.20		
			\$ 97.04			\$ 93.92	\$	(3.12) -3.2%
MONTHLY CONSUMPTION OF 1500 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	1500 0.0706	\$ 105.87		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	1400 0.0833	\$ 116.62	DISTRIBUTION KWH TOTAL	1500 0.0062	\$ 9.30		
			\$ 130.36			\$ 132.31	\$	1.55 1.5%
MONTHLY CONSUMPTION OF 2000 KWH	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
	SERVICE CHARGE		\$ -	COST OF POWER	2000 0.0706	\$ 141.16		
	FIRST 100 KWH	100 0.1374	\$ 13.74	MONTHLY DISTRIBUTION CHARGE		\$ 17.14		
	BALANCE TOTAL	1900 0.0833	\$ 158.27	DISTRIBUTION KWH TOTAL	2000 0.0062	\$ 12.40		
			\$ 172.01			\$ 170.70	\$	(1.31) -0.8%

DISTRIBUTION DATE
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KWH RATE \$/KWH CHARGE \$				KWH RATE \$/KWH CHARGE \$				IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 20000 KWH				ANNUAL CONSUMPTION OF 20000 KWH					
SERVICE CHARGE			\$ -	COST OF POWER	20000	0.0706	\$ 1,411.59		
FIRST 100 KWH	1200	0.1374	\$ 164.88	ANNUAL DISTRIBUTION CHARGE			\$ 205.68		
BALANCE	18800	0.0833	\$ 1,566.04	DISTRIBUTION KWH	20000	0.0062	\$ 124.00		
TOTAL			\$ 1,730.92	TOTAL			\$ 1,741.27	\$ 10.35	0.6%

KWH RATE \$/KWH CHARGE \$				KWH RATE \$/KWH CHARGE \$				IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH				ANNUAL CONSUMPTION OF 30000 KWH					
SERVICE CHARGE			\$ -	COST OF POWER	30000	0.0706	\$ 2,117.39		
FIRST 100 KWH	1200	0.1374	\$ 164.88	ANNUAL DISTRIBUTION CHARGE			\$ 205.68		
BALANCE	28800	0.0833	\$ 2,399.04	DISTRIBUTION KWH	30000	0.0062	\$ 186.00		
TOTAL			\$ 2,563.92	TOTAL			\$ 2,509.07	\$ (54.85)	-2.1%

GENERAL SERVICE < 50 KW

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL				UNBUNDLED BILL				IMPACT DOLLARS	IMPACT
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$				
SERVICE CHARGE		\$ -							
1ST BLOCK 50 KW	6.2500	\$ -		DISTRIBUTION KW		\$ -			
2ND BLOCK									
BALANCE	0.0000	\$ 6.2500		COST OF POWER					
	\$/KWH			KWH	0.0695	\$ -			
1ST BLOCK 100 KWH	0.0780	\$ -							
NEXT BLOCK				MONTHLY DISTRIBUTION CHARGE		\$ 78.49			
12400	0.0680	\$ -		DISTRIBUTION KWH	2000	0.0049	\$ 9.85		
NEXT BLOCK	0.0680	\$ -							
BALANCE	0.0680	\$ -		TOTAL		\$ 88.34		\$ 75.84	608.7%
TOTAL		\$ 12.50							

MONTHLY CONSUMPTION 10 KW, 2000 KWH

CURRENT BILL				UNBUNDLED BILL				IMPACT DOLLARS	IMPACT
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$				
SERVICE CHARGE		\$ -							
1ST BLOCK 50 KW	10 6.2500	\$ -		DISTRIBUTION KW		\$ -			
2ND BLOCK									
BALANCE	0 0.0000	\$ -		COST OF POWER					
	\$/KWH			KWH	2000 0.0695	\$ 138.90			
1ST BLOCK 100 KWH	100 0.0780	\$ 7.80							
NEXT BLOCK				MONTHLY DISTRIBUTION CHARGE		\$ 78.49			
12400	1900 0.0680	\$ 129.20		DISTRIBUTION KWH	2000 0.0049	\$ 9.85			
NEXT BLOCK	0.0680	\$ -							
BALANCE	0.0680	\$ -		TOTAL		\$ 227.24		\$ 90.24	65.9%
TOTAL		\$ 137.00							

MONTHLY CONSUMPTION 50 KW, 5000 KWH

CURRENT BILL				UNBUNDLED BILL				IMPACT DOLLARS	IMPACT
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$				
SERVICE CHARGE		\$ -							
1ST BLOCK 50 KW	50 6.2500	\$ -		DISTRIBUTION KW		\$ -			
2ND BLOCK									
BALANCE	0 0.0000	\$ -		COST OF POWER					
	\$/KWH			KWH	5000 0.0695	\$ 347.25			
1ST BLOCK 100 KWH	100 0.0780	\$ 7.80							
NEXT BLOCK				MONTHLY DISTRIBUTION CHARGE		\$ 78.49			
12400	4900 0.0680	\$ 333.20		DISTRIBUTION KWH	5000 0.0049	\$ 24.63			
NEXT BLOCK	0.0680	\$ -							
BALANCE	0.0680	\$ -		TOTAL		\$ 450.38		\$ 108.38	32.1%
TOTAL		\$ 341.00							

GENERAL SERVICE > 50 KW NON TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL

UNBUNDLED BILL

DISTRIBUTION DATE
APRIL 10, 2000

(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D) \$0.0049
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 \$77.3926

GENERAL SERVICE NON-TIME OF USE >50 KW

		VARIABLE REVENUE		SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	58,060.04 0.211	\$	217,304.01 0.789	\$ 275,364.06
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(1,293.84)	\$	(4,842.51)	\$ (6,136.35)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	56,766.20	\$	212,461.50	\$ 269,227.71
(D) RETAIL KW		18,117			
(E) NUMBER OF CUSTOMERS				22	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$3.1334			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$804.7784	

GENERAL SERVICE TIME OF USE > 50 KW

		VARIABLE REVENUE		SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	68,177.24 0.211	\$	255,170.13 0.789	\$ 323,347.37
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(1,519.30)	\$	(5,686.34)	\$ (7,205.63)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	66,657.95	\$	249,483.79	\$ 316,141.74
(D) RETAIL KW		106,852			
(E) NUMBER OF CUSTOMERS				6	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		\$0.6238			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				\$3,465.053	

INTERMEDIATE USE

		VARIABLE REVENUE		SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES		#DIV/0! #DIV/0!		#DIV/0! #DIV/0!	#DIV/0!
(B) ALLOCATED TAX REVENUE REQUIREMENT		#DIV/0!		#DIV/0!	#DIV/0!
(C) TARGETED BASE WITH TAXES (A) +(B)		#DIV/0!		#DIV/0!	#DIV/0!
(D) RETAIL KW		0			
(E) NUMBER OF CUSTOMERS				0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		#DIV/0!			
(G) MONTHLY SERVICE CHARGE (C)/(E)/12				#DIV/0!	

DISTRIBUTION DATE
APRIL 10, 2000

STREET LIGHTING

		VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	3,599.40 0.211	\$ 13,471.66 0.789	\$ 17,071.06
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(80.21)	\$ (300.21)	\$ (380.42)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	3,519.19	\$ 13,171.45	\$ 16,690.64
(D) RETAIL KW		0		
(E) NUMBER OF CONNECTIONS			590	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)			\$1.8604	

LARGE USE

		VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES		#DIV/0!	#DIV/0!	#DIV/0!
(B) ALLOCATED TAX REVENUE REQUIREMENT		#DIV/0!	#DIV/0!	#DIV/0!
(C) TARGETED BASE WITH TAXES (A) +(B)		#DIV/0!	#DIV/0!	#DIV/0!
(D) RETAIL KW		0		
(E) NUMBER OF CUSTOMERS			0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12			#DIV/0!	

DISTRIBUTION DATE
MARCH 28, 2000

	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION 100KW,20000KWH								
SERVICE CHARGE			\$ -					
1ST BLOCK 50 KW		6.2500	\$ -	COST OF POWER				
2ND BLOCK		6.2500	\$ -	KW				
BALANCE		0.0000	\$ -	DISTRIBUTION KW	1.4931	\$ -		
					3.1778	\$ -		
1ST BLOCK 100 KWH								
NEXT BLOCK		0.0780	\$ -	COST OF POWER				
12400		0.0680	\$ -	KWH				
					0.0346	\$ -	\$ -	#DIV/0!
NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE				
TOTAL			\$ -			\$ 816.18		
				TOTAL		\$ 816.18	\$ 816.18	#DIV/0!
MONTHLY CONSUMPTION 100KW,30000KWH								
SERVICE CHARGE			\$ -					
1ST BLOCK 50 KW	50	6.2500	\$ 312.50	COST OF POWER				
2ND BLOCK		6.2500	\$ -	KW	100	1.4931	\$ 149.31	
BALANCE	50	0.0000	\$ -	DISTRIBUTION KW	100	3.1778	\$ 317.78	
1ST BLOCK 100 KWH								
NEXT BLOCK	100	0.0780	\$ 7.80	COST OF POWER				
12400	12400	0.0680	\$ 843.20	KWH	20000	0.0346	\$ 692.27	
NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE			\$ 816.18	
TOTAL			\$ 1,673.50			\$ 1,975.53	\$ 302.03	18.0%
MONTHLY CONSUMPTION 100KW,40000KWH								
SERVICE CHARGE			\$ -					
1ST BLOCK 50 KW	50	6.2500	\$ 312.50	COST OF POWER				
2ND BLOCK		6.2500	\$ -	KW	100	1.4931	\$ 149.31	
BALANCE	50	0.0000	\$ -	DISTRIBUTION KW	100	3.1778	\$ 317.78	
1ST BLOCK 100 KWH								
NEXT BLOCK	100	0.0780	\$ 7.80	COST OF POWER				
12400	12400	0.0680	\$ 843.20	KWH	30000	0.0346	\$ 1,038.40	
NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE			\$ 816.18	
TOTAL			\$ 2,353.50			\$ 2,321.67	\$ (31.83)	-1.4%
MONTHLY CONSUMPTION 500KW,150000KWH								
SERVICE CHARGE			\$ -					
1ST BLOCK 50 KW	50	6.2500	\$ 312.50	COST OF POWER				
2ND BLOCK		6.2500	\$ -	KW	100	1.4931	\$ 149.31	
BALANCE	50	0.0000	\$ -	DISTRIBUTION KW	100	3.1778	\$ 317.78	
1ST BLOCK 100 KWH								
NEXT BLOCK	100	0.0780	\$ 7.80	COST OF POWER				
12400	12400	0.0680	\$ 843.20	KWH	40000	0.0346	\$ 1,384.54	
NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE			\$ 816.18	
TOTAL			\$ 3,033.50			\$ 2,667.80	\$ (365.70)	-12.1%

DISTRIBUTION DATE
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MONTHLY CONSUMPTION 500KW,200000KWH				MONTHLY CONSUMPTION 500KW,250000KWH				MONTHLY CONSUMPTION 1000KW,100000KWH				MONTHLY CONSUMPTION 1000KW,300000KWH				MONTHLY CONSUMPTION 1000KW,500000KWH			
CURRENT BILL				CURRENT BILL				CURRENT BILL				CURRENT BILL				CURRENT BILL			
SERVICE CHARGE				SERVICE CHARGE				SERVICE CHARGE				SERVICE CHARGE				SERVICE CHARGE			
1ST BLOCK 50 KW	50	6.2500	\$ 312.50	1ST BLOCK 50 KW	50	6.2500	\$ 312.50	1ST BLOCK 50 KW	50	6.2500	\$ 312.50	1ST BLOCK 50 KW	50	6.2500	\$ 312.50	1ST BLOCK 50 KW	50	6.2500	\$ 312.50
2ND BLOCK	450	0.0000	\$ -	2ND BLOCK	450	0.0000	\$ -	2ND BLOCK	950	0.0000	\$ -	2ND BLOCK	950	0.0000	\$ -	2ND BLOCK	950	0.0000	\$ -
BALANCE		\$/KWH		BALANCE		\$/KWH		BALANCE		\$/KWH		BALANCE		\$/KWH		BALANCE		\$/KWH	
1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80
NEXT BLOCK 12400	12400	0.0680	\$ 843.20	NEXT BLOCK 12400	12400	0.0680	\$ 843.20	NEXT BLOCK 12400	12400	0.0680	\$ 843.20	NEXT BLOCK 12400	12400	0.0680	\$ 843.20	NEXT BLOCK 12400	12400	0.0680	\$ 843.20
NEXT BLOCK BALANCE	187500	0.0680	\$ 12,750.00	NEXT BLOCK BALANCE	237500	0.0680	\$ 16,150.00	NEXT BLOCK BALANCE	87500	0.0680	\$ 5,950.00	NEXT BLOCK BALANCE	287500	0.0680	\$ 19,550.00	NEXT BLOCK BALANCE			
TOTAL		\$	13,913.50	TOTAL		\$	17,313.50	TOTAL		\$	7,113.50	TOTAL		\$	20,713.50	TOTAL			
MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE			
\$ 816.18				\$ 816.18				\$ 816.18				\$ 816.18				\$ 816.18			
TOTAL				TOTAL				TOTAL				TOTAL				TOTAL			
\$ 8,343.62				\$ 11,804.97				\$ 8,948.38				\$ 12,409.72				\$ 8,343.62			
\$ (2,169.88) -20.6%				\$ (5,508.53) -31.8%				\$ 1,634.88 25.8%				\$ (8,303.78) -40.1%							
UNBUNDLED BILL				UNBUNDLED BILL				UNBUNDLED BILL				UNBUNDLED BILL				UNBUNDLED BILL			
COST OF POWER				COST OF POWER				COST OF POWER				COST OF POWER				COST OF POWER			
KW	500	1.4931	\$ 746.55	KW	500	1.4931	\$ 746.55	KW	1000	1.4931	\$ 1,493.11	KW	1000	1.4931	\$ 1,493.11	KW	1000	1.4931	\$ 1,493.11
DISTRIBUTION KW	500	3.1778	\$ 1,588.88	DISTRIBUTION KW	500	3.1778	\$ 1,588.88	DISTRIBUTION KW	1000	3.1778	\$ 3,177.75	DISTRIBUTION KW	1000	3.1778	\$ 3,177.75	DISTRIBUTION KW	1000	3.1778	\$ 3,177.75
\$/KWH				\$/KWH				\$/KWH				\$/KWH				\$/KWH			
COST OF POWER KWH	200000	0.0346	\$ 6,922.69	COST OF POWER KWH	250000	0.0346	\$ 8,653.36	COST OF POWER KWH	100000	0.0346	\$ 3,461.34	COST OF POWER KWH	200000	0.0346	\$ 6,922.69	COST OF POWER KWH			
MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE				MONTHLY DISTRIBUTION CHARGE			
\$ 816.18				\$ 816.18				\$ 816.18				\$ 816.18				\$ 816.18			
TOTAL				TOTAL				TOTAL				TOTAL				TOTAL			
\$ 10,074.29				\$ 11,804.97				\$ 8,948.38				\$ 12,409.72				\$ 8,343.62			
\$ (3,839.21) -27.6%				\$ (5,508.53) -31.8%				\$ 1,634.88 25.8%				\$ (8,303.78) -40.1%							

DISTRIBUTION DATE
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1ST BLOCK 50 KW	50	6.2500	\$	312.50
2ND BLOCK		6.2500	\$	-
BALANCE	950	0.0000	\$	-
		\$/KWH		
1ST BLOCK 100 KWH	100	0.0780	\$	7.80
NEXT BLOCK				
12400	12400	0.0680	\$	843.20
NEXT BLOCK		0.0680	\$	-
BALANCE	487500	0.0680	\$	33,150.00
TOTAL			\$	34,313.50

COST OF POWER				
KW	1000	1.4931	\$	1,493.11
DISTRIBUTION KW	1000	3.1778	\$	3,177.75
COST OF POWER				
KWH	500000	0.0346	\$	17,306.72
MONTHLY				
DISTRIBUTION				
CHARGE			\$	816.18
TOTAL			\$	22,793.75

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS

CURRENT BILL

SERVICE CHARGE

0.0000

KW	RATE	CHARGE
	\$/KW	\$
WINTER FIRST 50 KW	9.4700	\$ -
WINTER SECOND BLOCK	9.4700	\$ -
WINTER BALANCE BLOCK	9.4700	\$ -
	\$/KWH	
WINTER PEAK		
FIRST BLOCK	0.0723	\$ -
WINTER PEAK		
NEXT BLOCK	0.0723	\$ -
WINTER PEAK		
NEXT BLOCK	0.0723	\$ -
WINTER BALANCE BLOCK	0.0723	\$ -
WINTER OFF	0.0723	\$ -
PEAK ALL	0.0441	\$ -
TOTAL		\$ -

CURRENT BILL

SERVICE CHARGE

0.0000

KW	RATE	CHARGE
	\$/KW	\$
SUMMER FIRST 50 KW	7.0900	\$ -
SUMMER	7.0900	\$ -
SECOND BLOCK	7.0900	\$ -
SUMMER	7.0900	\$ -
BALANCE BLOCK		
	\$/KWH	
SUMMER PEAK		
FIRST BLOCK	0.0614	\$ -
SUMMER PEAK	0.0614	\$ -
NEXT BLOCK	0.0614	\$ -
SUMMER PEAK	0.0614	\$ -
NEXT BLOCK	0.0614	\$ -
SUMMER	0.0614	\$ -
BALANCE BLOCK	0.0614	\$ -
SUMMER OFF	0.0332	\$ -
PEAK ALL		
TOTAL		\$ -

GENERAL SERVICE - INTERMEDIATE USE

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL

KW	RATE	CHARGE
	\$/KW	\$
WINTER PEAK	0.0000	\$ -
	\$/KWH	
WINTER PEAK	0.0000	\$ -
WINTER OFF	0.0000	\$ -
PEAK		
TOTAL		\$ -

CURRENT BILL

SUMMER PEAK

0.0000 \$

UNBUNDLED BILL

RATE	CHARGE	IMPACT	IMPACT
\$/KW	\$	DOLLARS	
COST OF POWER			
WINTER PEAK	9.6400	\$ -	
	\$/KWH		
WINTER PEAK	0.0649	\$ -	
WINTER OFF PEAK	0.0357	\$ -	
DISTRIBUTION KW	0.6327	\$ -	
MONTHLY			
SERVICE CHARGE		3514.1305	

TOTAL

\$ 3,514.13

\$ 3,514.13

#DIV/0!

UNBUNDLED BILL

RATE	CHARGE	IMPACT	IMPACT
\$/KW	\$	DOLLARS	
COST OF POWER			
SUMMER PEAK	7.2160	\$ -	
	\$/KWH		
SUMMER PEAK	0.0536	\$ -	
SUMMER OFF	0.0245	\$ -	
PEAK			
DISTRIBUTION KW	0.6327	\$ -	
MONTHLY			
SERVICE CHARGE		3514.1305	

TOTAL

\$ 3,514.13

\$ 3,514.13

#DIV/0!

UNBUNDLED BILL

RATE	CHARGE	IMPACT	IMPACT
\$/KW	\$	DOLLARS	
COST OF POWER			
KW:			
WINTER PEAK	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	#DIV/0!	#DIV/0!	
COST OF POWER			
KWH:			
WINTER PEAK	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	#DIV/0!	#DIV/0!	
MONTHLY			
DISTRIBUTION			
CHARGE			
TOTAL	#DIV/0!	#DIV/0!	

UNBUNDLED BILL

RATE CHARGE IMPACT IMPACT

DISTRIBUTION DATE
MARCH 28, 2000

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DISTRIBUTION DATE:
MARCH 28, 2000

TOTAL				\$
MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH				
CURRENT BILL				
KW	RATE \$/KW	CHARGE \$		
WINTER PEAK	3000	0.0000	\$	-
		\$/KWH		
WINTER PEAK	750,000	0.0000	\$	-
WINTER OFF PEAK	750,000	0.0000	\$	-
TOTAL			\$	-

CURRENT BILL				
KW	RATE \$/KW	CHARGE \$		
SUMMER PEAK	3000	0.0000	\$	-
		\$/KWH		
SUMMER PEAK	750,000	0.0000	\$	-
SUMMER OFF PEAK	750,000	0.0000	\$	-
TOTAL			\$	-

LARGE USE

CURRENT BILL				
KW	RATE \$/KW	CHARGE \$		
WINTER PEAK	5000	2.2900	\$	11,450.00
		\$/KWH		
WINTER PEAK	250,000	0.0000	\$	-
WINTER OFF PEAK	250,000	0.0000	\$	-
TOTAL			\$	11,450.00

CURRENT BILL				
KW	RATE \$/KW	CHARGE \$		
SUMMER PEAK	5000	1.6800	\$	8,400.00
		\$/KWH		
SUMMER PEAK	250,000	0.0000	\$	-
SUMMER OFF PEAK	250,000	0.0000	\$	-
TOTAL			\$	8,400.00

MONTHLY CONSUMPTION 5000 KW, 1 MILL KWH

CURRENT BILL				
KW	RATE \$/KW	CHARGE \$		
WINTER PEAK	5000	2.2900	\$	11,450.00
		\$/KWH		
WINTER PEAK	500,000	0.0000	\$	-
WINTER OFF PEAK	500,000	0.0000	\$	-

TOTAL			#DIV/0!	#DIV/0!	#DIV/0!
UNBUNDLED BILL					
	RATE \$/KW		CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW:					
WINTER PEAK	3000	#DIV/0!	#DIV/0!		
DISTRIBUTION KW					
	3000	#DIV/0!	#DIV/0!		
COST OF POWER KWH:					
WINTER PEAK	750000	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	750000	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE					
TOTAL			#DIV/0! #DIV/0!	#DIV/0!	#DIV/0!

UNBUNDLED BILL							
		RATE \$/KW		CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER							
KW:							
SUMMER PEAK	3000	#DIV/0!		#DIV/0!			
DISTRIBUTION KW	3000	#DIV/0!		#DIV/0!			
COST OF POWER							
KWH:							
SUMMER PEAK	750000	#DIV/0!		#DIV/0!			
SUMMER OFF							
PEAK	750000	#DIV/0!		#DIV/0!			
MONTHLY							
DISTRIBUTION							
CHARGE							
TOTAL							
				#DIV/0!			
				#DIV/0!			
					#DIV/0!		
						#DIV/0!	

UNBUNDLED BILL		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW:					
WINTER PEAK	5000	#DIV/0!	#DIV/0!		
DISTRIBUTION KW					
	5000	#DIV/0!	#DIV/0!		
COST OF POWER KWH:					
WINTER PEAK	250,000	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	250,000	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE					
			#DIV/0!		
TOTAL					
			#DIV/0!	#DIV/0!	#DIV/0!

UNBUNDLED BILL						
		RATE		CHARGE		IMPACT
		\$/KW		\$		DOLLARS
COST OF POWER						
KW:						
SUMMER PEAK		5000	#DIV/0!	#DIV/0!		
DISTRIBUTION KW		5000	#DIV/0!	#DIV/0!		
COST OF POWER						
KWH:						
SUMMER PEAK	250,000		#DIV/0!	#DIV/0!		
SUMMER OFF						
PEAK	250,000		#DIV/0!	#DIV/0!		
MONTHLY						
DISTRIBUTION						
CHARGE						
TOTAL				#DIV/0!		
				#DIV/0!		
					#DIV/0!	
						#DIV/0!

UNBUNDLED BILL		#DIV/0!	#DIV/0!
	RATE \$/KW	CHARGE \$	IMPACT
COST OF POWER KW:			IMPACT DOLLARS
WINTER PEAK	5000	#DIV/0!	
DISTRIBUTION KW	5000	#DIV/0!	

DISTRIBUTION DATE
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				COST OF POWER			
				KWH:			
				WINTER PEAK	500,000	#DIV/0!	#DIV/0!
				WINTER OFF PEAK	500,000	#DIV/0!	#DIV/0!
				MONTHLY DISTRIBUTION CHARGE			
TOTAL						#DIV/0!	#DIV/0!
							#DIV/0!
							#DIV/0!

CURRENT BILL				UNBUNDLED BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
SUMMER PEAK	5000	1.6800	\$ 8,400.00	COST OF POWER KWH:			
SUMMER PEAK	500,000	\$/KWH 0.0000	\$ -	SUMMER PEAK	5000	#DIV/0!	#DIV/0!
SUMMER OFF PEAK	500,000	0.0000	\$ -	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!
TOTAL							

MONTHLY CONSUMPTION 5000 KW, 1.5 MILL KWH

CURRENT BILL				UNBUNDLED BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
WINTER PEAK	5000	2.2900	\$ 11,450.00	COST OF POWER KWH:			
WINTER PEAK	750,000	\$/KWH 0.0000	\$ -	WINTER PEAK	5000	#DIV/0!	#DIV/0!
WINTER OFF PEAK	750,000	0.0000	\$ -	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!
TOTAL							

CURRENT BILL				UNBUNDLED BILL			
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS
SUMMER PEAK	5000	1.6800	\$ 8,400.00	COST OF POWER KWH:			
SUMMER PEAK	750,000	\$/KWH 0.0000	\$ -	SUMMER PEAK	5000	#DIV/0!	#DIV/0!
SUMMER OFF PEAK	750,000	0.0000	\$ -	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!
TOTAL							

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 7 - MARR (NO TAX) CALCULATIONS

NAME OF UTILITY Eastern Ontario Power
LICENCE NUMBER 0
DATE 00-Jan-00
VERSION NUMBER 37676
NAME OF CONTACT Tim Curtis
PHONE NUMBER 0

TARGET RATE OF RETURN CALCULATIONS AND ADJUSTED RATE CLASS SERVICE CHARGES
NOTE: ANY RATE OF RETURN UP TO 9.88% MAY BE CHOSEN.

THE EXAMPLE SHOWS A TARGET ROE OF 4.0% FOR ILLUSTRATIVE PURPOSES ONLY.
YOU CAN REPEAT THIS ANALYSIS AS MANY TIMES AS YOU WISH BY ENTERING A
DIFFERENT TARGET ROE AND NOTING THE RESULTS BEFORE EACH ITERATION. YOU
CAN THEN CHOOSE THE LEVEL YOU WISH TO USE. ONLY YOUR FINAL CHOICE NEEDS
TO BE FILED.

NOTE:

ON THIS SHEET, TARGET RATE OF RETURN IS CALCULATED WITHOUT TAXES. THIS VALUE WILL BE APPLIED TO RATES UNTIL MARKET OPENS.
A TARGET RATE OF RETURN ADJUSTED FOR TAXES IS CALCULATED FOR THE PERIOD AFTER MARKET OPENING ON THE NEXT SHEET.
THE DIFFERENCE BETWEEN THE VALUES ON THE TWO SHEETS IS THE AMOUNT RATES WILL HAVE TO INCREASE TO ALLOW FOR TAXES.
THIS AMOUNT WILL BE ALLOCATED TO THE CLASSES IN THE SAME MANNER AS THE CHANGE IN REVENUE REQUIRED WITHOUT TAXES.

SOURCE: SEE APPENDIX D OF RATE HANDBOOK FOR RATE BASE CALCULATIONS. SEE CHAPTER 3 FOR DEBT RATE AND CER.
USE 1999 YEAR END FINANCIAL STATEMENTS FOR 1999 RETURN \$.

2000 Rate Base (ie. 1999 rate base "wires only")	\$ 3,157,217.15	MARR	\$ 270,415.65	Net Fixed Assets (from June 200 Financials)	2,183,456
CER	0.5000			Working Capital (expenses)	6,576,954
Target ROE	0.0988			less: excluded (interest)	(85,213)
Effective Tax Rate (this is the rate deemed to be in effect by the OEB)	0.435 (tax comes into effect only when market opens)			full Working Capital	6,491,741
1-CER	0.5000			15% of Working Capital	973,761
Debt Rate	0.0725			2000 Rate Base	3,157,217

Change in Revenue Required	MARR - (1999 RETURN \$)
MARR	\$ 270,415.65
1999 return \$	\$ 409,330.00
Late Payment Revenue - Recovery	\$ 29,065.00
Estimated Tax Proxy - See Attachment	\$ 134,316.28
Change in Revenue Required	= \$ 24,466.93 (MARR - 1999 Return + Late Pay Adjustment + Tax Proxy)
Deferred Amount (if any)	\$ 8,074.09 full implementation of rate reduction
Change in Revenue to Be Allocated	\$ 16,392.84

	DISTRIBUTION REVENUE	SHARE OF TOTAL REVENUE A	CHANGE IN INCREMENTAL REVENUE TO RETURN (\$) BE ALLOCATED B	REVISED REVENUE A*B
RESIDENTIAL CLASS REVENUE	\$ 784,752.55	0.407	\$ 6,676.87	\$ 791,429.42
SENTINEL LIGHTS REVENUE	\$ 1,439.89	0.001	\$ 12.25	\$ 1,452.14
<50 KW CLASS	\$ 529,921.15	0.275	\$ 4,508.70	\$ 534,429.85
GENERAL SERVICE NON TIME OF USE >50 KW	\$ 273,040.96	0.142	\$ 2,323.10	\$ 275,364.06
GENERAL SERVICE TIME OF USE >50 KW	\$ 320,619.46	0.166	\$ 2,727.91	\$ 323,347.37
INTERMEDIATE USE	\$ -	0.000	\$ -	\$ -
STREET LIGHTING CLASS REVENUE	\$ 16,927.05	0.009	\$ 144.02	\$ 17,071.06
LARGE USER CLASS REVENUE	\$ -	0.000	\$ -	\$ -
TOTAL REVENUE	\$ 1,926,701.06		\$ 16,392.84	\$ 1,943,093.90

NOTE: THE ALLOCATED CHANGE IN REVENUE IS SPLIT BETWEEN VARIABLE REVENUE AND SERVICE CHARGE REVENUE
BASED ON THE RELATIVE SHARES OF THE PRE-RATE OF RETURN ADJUSTMENT.

RESIDENTIAL

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 165,463.74 0.211	\$ 619,288.81 0.789	\$ 784,752.55

DISTRIBUTION DATE
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(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 1,407.81	\$ 5,269.06	\$ 6,676.87
(C) TARGETED BASE (A) +(B)	\$ 166,871.55	\$ 624,557.87	\$ 791,429.42
(D) RETAIL KWH	26,687,700	✓	
(E) NUMBER OF CUSTOMERS		3011	✓
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0063		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$17.2854	

SENTINEL LIGHTS

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 303.60 0.211	\$ 1,136.29 0.789	\$ 1,439.89
(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 2.58	\$ 9.67	\$ 12.25
(C) TARGETED BASE (A) +(B)	\$ 306.18	\$ 1,145.96	\$ 1,452.14
(D) RETAIL KW	129	✓	
(E) NUMBER OF CONNECTIONS		50	✓
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.3735		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)		\$1.9099	

GENERAL SERVICE <50 KW CLASS

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 111,732.97 0.211	\$ 418,188.18 0.789	\$ 529,921.15
(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 950.65	\$ 3,558.05	\$ 4,508.70
(C) TARGETED BASE (A) +(B)	\$ 112,683.62	\$ 421,746.23	\$ 534,429.85
(D) RETAIL KWH	22,680,641	✓	
(E) NUMBER OF CUSTOMERS		444	✓
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0050		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$79.1566	

GENERAL SERVICE NON-TIME OF USE >50 KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 57,570.22 0.211	\$ 215,470.74 0.789	\$ 273,040.96
(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 489.82	\$ 1,833.28	\$ 2,323.10
(C) TARGETED BASE (A) +(B)	\$ 58,060.04	\$ 217,304.01	\$ 275,364.06
(D) RETAIL KW	18,117	✓	
(E) NUMBER OF CUSTOMERS		22	✓
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$3.2048		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$823.1213	

GENERAL SERVICE TIME OF USE > 50 KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 67,602.07 0.211	\$ 253,017.39 0.789	\$ 320,619.46
(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 575.17	\$ 2,152.73	\$ 2,727.91
(C) TARGETED BASE (A) +(B)	\$ 68,177.24	\$ 255,170.13	\$ 323,347.37

DISTRIBUTION DATE
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(D) RETAIL KW 106,852 ✓
(E) NUMBER OF CUSTOMERS 6 ✓
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D) \$0.6381
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 \$3,544.030

INTERMEDIATE USE

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ -	\$ -	\$ -
	#DIV/0!	#DIV/0!	
(B) ALLOCATED INCREMENTAL RETURN (\$)	#DIV/0!	#DIV/0!	#DIV/0!
(C) TARGETED BASE (A) +(B)	#DIV/0!	#DIV/0!	#DIV/0!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#DIV/0!	

STREET LIGHTING

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ 3,569.04 0.211	\$ 13,358.01 0.789	\$ 16,927.05
(B) ALLOCATED INCREMENTAL RETURN (\$)	\$ 30.37	\$ 113.65	\$ 144.02
(C) TARGETED BASE (A) +(B)	\$ 3,599.40	\$ 13,471.66	\$ 17,071.06
(D) RETAIL KW	1,668 ✓		
(E) NUMBER OF CONNECTIONS		590 ✓	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.1579		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)		\$1.9028	

LARGE USE

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) CURRENT REVENUE REQUIREMENTS	\$ -	\$ -	\$ -
	#DIV/0!	#DIV/0!	
(B) ALLOCATED INCREMENTAL RETURN (\$)	#DIV/0!	#DIV/0!	#DIV/0!
(C) TARGETED BASE (A) +(B)	#DIV/0!	#DIV/0!	#DIV/0!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		#DIV/0!	

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 8 - MARR (WITH TAXES) CALCULATIONS

NAME OF UTILITY

Eastern Ontario Power

LICENCE NUMBER

0

DATE

00-Jan-00

VERSION NUMBER

37676

NAME OF CONTACT

Tim Curtis

PHONE NUMBER

0

TARGET RATE OF RETURN CALCULATIONS AND ADJUSTED RATE CLASS SERVICE CHARGES

NOTE: ANY RATE OF RETURN UP TO 9.88% RATE OF RETURN MAY BE CHOSEN.

THE EXAMPLE SHOWS A TARGET ROE OF 4.0% FOR ILLUSTRATIVE PURPOSES ONLY.

YOU CAN REPEAT THIS ANALYSIS AS MANY TIMES AS YOU WISH BY ENTERING A

DIFFERENT TARGET ROE AND NOTING THE RESULTS BEFORE EACH ITERATION. YOU

CAN THEN CHOOSE THE LEVEL YOU WISH TO USE. ONLY YOUR FINAL CHOICE NEEDS

TO BE FILED.

NOTE:

ON THE PREVIOUS SHEET, TARGET RATE OF RETURN IS CALCULATED WITHOUT TAXES. THIS VALUE WILL BE APPLIED TO RATES UNTIL MARKET OPENS. A TARGET RATE OF RETURN ADJUSTED FOR TAXES IS CALCULATED FOR THE PERIOD AFTER MARKET OPENING ON THIS SHEET. THE DIFFERENCE BETWEEN THE VALUES ON THE TWO SHEETS IS THE AMOUNT RATES WILL HAVE TO INCREASE TO ALLOW FOR TAXES. THIS AMOUNT WILL BE ALLOCATED TO THE CLASSES IN THE SAME MANNER AS THE CHANGE IN REVENUE REQUIRED WITHOUT TAXES.

2000 Rate Base (ie. 1999 rate base "wires only")	\$ 3,157,217.15	MARR	\$ 390,496.07
CER	0.5000		
Target ROE	0.0988		
Effective Tax Rate (this is the rate deemed to be in effect by the OEB)	0.435 (tax comes into effect when market opens)		
1-CER	0.5000		
Debt Rate	0.0725		

Change in Revenue Required	MARR - (1999 RETURN \$)
MARR	\$ 390,496.07
1999 RETURN \$	\$ 409,330.00
Change in Revenue Required	= \$ (18,833.93)

MARR WITH TAXES - MARR WITHOUT TAXES (change in revenue required due to taxes to be allocated)	\$ (43,300.86)
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	DISTRIBUTION REVENUE	SHARE OF TOTAL REVENUE	CHANGE IN ALLOCATED TAX REVENUE TO REVENUE A*B BE ALLOCATED B	REVISED REVENUE
RESIDENTIAL CLASS REVENUE	\$ 791,429.42	0.407	\$ (17,636.60)	\$ 773,792.82
SENTINEL LIGHTS REVENUE	\$ 1,452.14	0.001	\$ (32.36)	\$ 1,419.78
<50 KW CLASS	\$ 534,429.85	0.275	\$ (11,909.50)	\$ 522,520.35
GENERAL SERVICE NON TIME OF USE >50 KW	\$ 275,364.06	0.142	\$ (6,136.35)	\$ 269,227.71
GENERAL SERVICE TIME OF USE >50 KW	\$ 323,347.37	0.166	\$ (7,205.63)	\$ 316,141.74

DISTRIBUTION DATE
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INTERMEDIATE USE	\$	-	0.000	\$	-	\$	-
STREET LIGHTING CLASS REVENUE	\$	17,071.06	0.009	\$	(380.42)	\$	16,690.64
LARGE USER CLASS REVENUE	\$	-	0.000	\$	-	\$	-
TOTAL REVENUE	\$	1,943,093.90		\$	(43,300.86)	\$	1,899,793.04

NOTE: THE ALLOCATED CHANGE IN REVENUE IS SPLIT BETWEEN VARIABLE REVENUE AND SERVICE CHARGE REVENUE
BASED ON THE RELATIVE SHARES OF THE PRE-RATE OF RETURN ADJUSTMENT

RESIDENTIAL

		VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	166,871.55 0.211	\$ 624,557.87 0.789	\$ 791,429.42
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(3,718.65)	\$ (13,917.95)	\$ (17,636.60)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	163,152.90	\$ 610,639.92	\$ 773,792.82
(D) RETAIL KWH		26,687,700		
(E) NUMBER OF CUSTOMERS			3011	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)		\$0.0061		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12			\$16.9003	

SENTINEL LIGHTS

		VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	306.18 0.211	\$ 1,145.96 0.789	\$ 1,452.14
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(6.82)	\$ (25.54)	\$ (32.36)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	299.36	\$ 1,120.42	\$ 1,419.78
(D) RETAIL KW		0		
(E) NUMBER OF CONNECTIONS			50	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)		#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 (PER CONNECTION)			\$1.8674	

GENERAL SERVICE <50 KW CLASS

		VARIABLE REVENUE	SERVICE CHARGE	TOTAL DISTRIBUTION REVENUE
(A) REVENUE AT MARR WITHOUT TAXES	\$	112,683.62 0.211	\$ 421,746.23 0.789	\$ 534,429.85
(B) ALLOCATED TAX REVENUE REQUIREMENT	\$	(2,511.10)	\$ (9,398.40)	\$ (11,909.50)
(C) TARGETED BASE WITH TAXES (A) +(B)	\$	110,172.53	\$ 412,347.83	\$ 522,520.35
(D) RETAIL KWH		22,680,641		
(E) NUMBER OF CUSTOMERS			444	

DISTRIBUTION DATE
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SHEET 11 - RATE IMPACT ANALYSIS AFTER MARR

NAME OF UTILITY Eastern Ontario Power
LICENCE NUMBER 0
DATE 00-Jan-00
VERSION NUMBER 37676
NAME OF CONTACT Tim Curtis
PHONE NUMBER 0

RATE IMPACT ANALYSIS AFTER MARR

RATE IMPACT ANALYSIS IS FOR NON TIME OF USE ONLY. YOU WILL HAVE TO ADD TIME OF USE YOURSELF.

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL			NEW BILL AFTER MARR				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	0.0706	\$ -		
	BALANCE	0.1374	\$ -	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	0.0833	\$ -	TOTAL	0.0061	\$ -		
			\$ -			\$ 16.90	\$ 16.90	#DIV/0!
MONTHLY CONSUMPTION OF 250 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	250 0.0706	\$ 17.64		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	150 0.0833	\$ 12.50	TOTAL	250 0.0061	\$ 1.53		
			\$ 26.24			\$ 36.07	\$ 9.84	37.5%
MONTHLY CONSUMPTION OF 500 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	500 0.0706	\$ 35.29		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	400 0.0833	\$ 33.32	TOTAL	500 0.0061	\$ 3.06		
			\$ 47.06			\$ 55.25	\$ 8.19	17.4%
MONTHLY CONSUMPTION OF 750 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	750 0.0706	\$ 52.93		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	650 0.0833	\$ 54.15	TOTAL	750 0.0061	\$ 4.59		
			\$ 67.89			\$ 74.42	\$ 6.54	9.6%
MONTHLY CONSUMPTION OF 1000 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1000 0.0706	\$ 70.58		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	900 0.0833	\$ 74.97	TOTAL	1000 0.0061	\$ 6.11		
			\$ 88.71			\$ 93.59	\$ 4.88	5.5%
MONTHLY CONSUMPTION OF 1500 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	1500 0.0706	\$ 105.87		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	1400 0.0833	\$ 116.62	TOTAL	1500 0.0061	\$ 9.17		
			\$ 130.36			\$ 131.94	\$ 1.58	1.2%
MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE	2000 0.0706	\$ 141.16		
	BALANCE	100 0.1374	\$ 13.74	DISTRIBUTION KWH		\$ 16.90		
	TOTAL	1900 0.0833	\$ 158.27	TOTAL	2000 0.0061	\$ 12.23		
			\$ 172.01			\$ 170.29	\$ (1.72)	-1.0%
ANNUAL CONSUMPTION OF 20000 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER ANNUAL DISTRIBUTION CHARGE	20000 0.0706	\$ 1,411.59		
	BALANCE	1200 0.1374	\$ 164.88	DISTRIBUTION KWH		\$ 202.80		
	TOTAL	18800 0.0833	\$ 1,586.04	TOTAL	20000 0.0061	\$ 122.27		
			\$ 1,730.92			\$ 1,736.66	\$ 5.74	0.3%
ANNUAL CONSUMPTION OF 30000 KWH	SERVICE CHARGE FIRST 100 KWH		\$ -	COST OF POWER ANNUAL DISTRIBUTION CHARGE	30000 0.0706	\$ 2,117.39		
	BALANCE	1200 0.1374	\$ 164.88			\$ 202.80		
	TOTAL							

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BALANCE	20000	0.0833	\$	2,389.04	DISTRIBUTION KWH	30000	0.0061	\$	183.40			
TOTAL			\$	2,563.32	TOTAL			\$	2,503.60	\$	(60.32)	-2.4%

GENERAL SERVICE < 50 KW

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW		6.2500	\$ -					
	2ND BLOCK BALANCE		0.0000	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 250 KWH		0.0780	\$ -	COST OF POWER KWH	0.0695	\$ -		
	NEXT BLOCK 12400		0.0680	\$ -					
	NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 77.39		
			0.0680	\$ -	DISTRIBUTION KWH	2000	0.0049	\$ 9.72	
	TOTAL			\$ -	TOTAL		\$ 87.11	\$ 87.11	#DIV/0!

MONTHLY CONSUMPTION 10 KW, 2000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	10	6.2500	\$ -					
	2ND BLOCK BALANCE	0	0.0000	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	COST OF POWER KWH	2000	0.0695	\$ 138.90	
	NEXT BLOCK 12400	1900	0.0680	\$ 129.20					
	NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 77.39		
			0.0680	\$ -	DISTRIBUTION KWH	2000	0.0049	\$ 9.72	
	TOTAL			\$ 137.00	TOTAL		\$ 226.01	\$ 89.01	65.0%

MONTHLY CONSUMPTION 50 KW, 5000 KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	6.2500	\$ -					
	2ND BLOCK BALANCE	0	0.0000	\$ -	DISTRIBUTION KW		\$ -		
			\$/KWH			\$/KWH			
	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	COST OF POWER KWH	5000	0.0695	\$ 347.25	
	NEXT BLOCK 12400	4900	0.0680	\$ 333.20					
	NEXT BLOCK BALANCE		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 77.39		
			0.0680	\$ -	DISTRIBUTION KWH	5000	0.0049	\$ 24.29	
	TOTAL			\$ 341.00	TOTAL		\$ 448.93	\$ 107.93	31.7%

GENERAL SERVICE > 50 KW

ENTER DESIRED CONSUMPTION LEVEL	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW		6.2500	\$ -					
	2ND BLOCK BALANCE		0.0000	\$ -	COST OF POWER KW	1.4931	\$ -		
			\$/KWH		DISTRIBUTION KW	3.1334	\$ -		
	1ST BLOCK 100 KWH		0.0780	\$ -		\$/KWH			
	NEXT BLOCK 12400		0.0680	\$ -	COST OF POWER KWH	0.0346	\$ -	\$ -	#DIV/0!
	NEXT BLOCK BALANCE		6.2500	\$ -	MONTHLY DISTRIBUTION CHARGE		\$ 804.78		
			0.0680	\$ -					
	TOTAL			\$ -	TOTAL		\$ 804.78	\$ 804.78	#DIV/0!

MONTHLY CONSUMPTION 100KW, 20000KWH	CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL AFTER MARR	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
	SERVICE CHARGE			\$ -					
	1ST BLOCK 50 KW	50	6.2500	\$ 312.50					
	2ND BLOCK BALANCE	50	6.2500	\$ -	COST OF POWER KW	100	1.4931	\$ 149.31	
			0.0000	\$ -	DISTRIBUTION KW	100	3.1334	\$ 313.34	
			\$/KWH			\$/KWH			
	1ST BLOCK 100 KWH	100	0.0780	\$ 7.80	COST OF POWER KWH	20000	0.0346	\$ 692.27	

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NEXT BLOCK 12400				12400	0.0680	\$	843.20				
NEXT BLOCK BALANCE				7500	6.2500	\$	-				
					0.0680	\$	510.00				
TOTAL						\$	1,673.50				
MONTHLY CONSUMPTION 100KW,30000KWH CURRENT BILL								MONTHLY DISTRIBUTION CHARGE			
				KW	RATE \$/KW	CHARGE \$					
SERVICE CHARGE						\$	-				
1ST BLOCK 50 KW				50	6.2500	\$	312.50				
2ND BLOCK BALANCE				50	6.2500	\$	-				
					0.0000	\$	-				
					\$/KWH						
1ST BLOCK 100 KWH				100	0.0780	\$	7.80				
NEXT BLOCK 12400				12400	0.0680	\$	843.20				
NEXT BLOCK BALANCE				17500	6.2500	\$	-				
					0.0680	\$	1,190.00				
TOTAL						\$	2,353.50				
MONTHLY CONSUMPTION 100KW,40000KWH CURRENT BILL								NEW BILL AFTER MARR			
				KW	RATE \$/KW	CHARGE \$					
SERVICE CHARGE						\$	-				
1ST BLOCK 50 KW				50	6.2500	\$	312.50				
2ND BLOCK BALANCE				50	6.2500	\$	-				
					0.0000	\$	-				
					\$/KWH						
1ST BLOCK 100 KWH				100	0.0780	\$	7.80				
NEXT BLOCK 12400				12400	0.0680	\$	843.20				
NEXT BLOCK BALANCE				27500	0.0680	\$	-				
					0.0680	\$	1,870.00				
TOTAL						\$	3,033.50				
MONTHLY CONSUMPTION 500KW,150000KWH CURRENT BILL								NEW BILL AFTER MARR			
				KW	RATE \$/KW	CHARGE \$					
SERVICE CHARGE						\$	-				
1ST BLOCK 50 KW				50	6.2500	\$	312.50				
2ND BLOCK BALANCE				450	6.2500	\$	-				
					0.0000	\$	-				
					\$/KWH						
1ST BLOCK 100 KWH				100	0.0780	\$	7.80				
NEXT BLOCK 12400				12400	0.0680	\$	843.20				
NEXT BLOCK BALANCE				137500	0.0680	\$	-				
					0.0680	\$	9,350.00				
TOTAL						\$	10,513.50				
MONTHLY CONSUMPTION 500KW,200000KWH CURRENT BILL								NEW BILL AFTER MARR			
				KW	RATE \$/KW	CHARGE \$					
SERVICE CHARGE						\$	-				
1ST BLOCK 50 KW				50	6.2500	\$	312.50				
2ND BLOCK BALANCE				450	6.2500	\$	-				
					0.0000	\$	-				
					\$/KWH						
1ST BLOCK 100 KWH				100	0.0780	\$	7.80				
NEXT BLOCK 12400				12400	0.0680	\$	843.20				
NEXT BLOCK BALANCE				187500	0.0680	\$	-				
					0.0680	\$	12,750.00				
TOTAL						\$	13,913.50				
MONTHLY CONSUMPTION 500KW,250000KWH CURRENT BILL								NEW BILL AFTER MARR			
				KW	RATE \$/KW	CHARGE \$					
SERVICE CHARGE						\$	-				
1ST BLOCK 50 KW				50	6.2500	\$	312.50				
2ND BLOCK BALANCE				450	6.2500	\$	-				
					0.0000	\$	-				
					\$/KWH						
1ST BLOCK 100 KWH				100	0.0780	\$	7.80				
NEXT BLOCK BALANCE						\$	-				
						\$	-				
TOTAL						\$	-				

TOTAL	\$ 3,465.05	\$ 3,465.05	#DIV/0!
UNBUNDLED BILL			

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	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER FIRST 50 KW		7.0900	\$ -	COST OF POWER				
SUMMER SECOND BLOCK		7.0900	\$ -	SUMMER PEAK	7.2160	\$ -		
SUMMER BALANCE BLOCK		7.0900	\$ -					
		\$/KWH		SUMMER PEAK	\$/KWH			
SUMMER PEAK FIRST BLOCK		0.0814	\$ -	SUMMER OFF PEAK	0.0536	\$ -		
SUMMER PEAK NEXT BLOCK		0.0614			0.0245	\$ -		
SUMMER PEAK NEXT BLOCK		0.0614	\$ -	DISTRIBUTION KW	0.6238	\$ -		
SUMMER BALANCE BLOCK		0.0614	\$ -	MONTHLY SERVICE CHARGE		3.465.0527		
SUMMER OFF PEAK ALL		0.0332	\$ -					
TOTAL			\$ -	TOTAL		\$ 3.465.05	\$ 3.465.05	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL				NEW BILL AFTER MARR				
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK		0.0000	\$ -					
WINTER PEAK		\$/KWH		COST OF POWER KW: WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER OFF PEAK		0.0000	\$ -					
		0.0000	\$ -	DISTRIBUTION KW	#DIV/0!	\$ - #DIV/0!		
				COST OF POWER KWH: WINTER PEAK	#DIV/0!	#DIV/0!		
				WINTER OFF PEAK	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE	#DIV/0!	#DIV/0!		
TOTAL			\$ -	TOTAL		#DIV/0! #DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL

CURRENT BILL				NEW BILL AFTER MARR				
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK		0.0000	\$ -	COST OF POWER KW:				
SUMMER PEAK		\$/KWH		SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK		0.0000	\$ -	DISTRIBUTION KW	#DIV/0!	#DIV/0!		
		0.0000	\$ -	COST OF POWER KWH: SUMMER PEAK	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
TOTAL			\$ -	MONTHLY DISTRIBUTION CHARGE	#DIV/0!	#DIV/0!		
				TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 500,000 KW

CURRENT BILL				NEW BILL AFTER MARR				
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000	0.0000	\$ -					
WINTER PEAK	250,000	0.0000	\$ -	COST OF POWER KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	250,000	0.0000	\$ -					
				DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
				COST OF POWER KWH: WINTER PEAK	250000	#DIV/0!	#DIV/0!	
				WINTER OFF PEAK	250000	#DIV/0!	#DIV/0!	
				MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL

CURRENT BILL				NEW BILL AFTER MARR				
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE	IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000	0.0000	\$ -	COST OF POWER KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!	
		\$/KWH		DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
SUMMER PEAK	250,000	0.0000	\$ -					
SUMMER OFF PEAK	250,000	0.0000	\$ -					
				COST OF POWER KWH: SUMMER PEAK	250000	#DIV/0!	#DIV/0!	
				SUMMER OFF PEAK	250000	#DIV/0!	#DIV/0!	
				MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL			\$ -	TOTAL		#DIV/0!	#DIV/0!	#DIV/0!

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MONTHLY CONSUMPTION 3000 KW, 1 MILL KWH CURRENT BILL

	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
WINTER PEAK		\$/KWH	
WINTER PEAK	500,000	0.0000	\$ -
WINTER OFF PEAK	500,000	0.0000	\$ -

TOTAL \$ -

	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	0.0000	\$ -
SUMMER PEAK		\$/KWH	
SUMMER PEAK	500,000	0.0000	\$ -
SUMMER OFF PEAK	500,000	0.0000	\$ -

TOTAL \$ -

MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH CURRENT BILL

	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
WINTER PEAK		\$/KWH	
WINTER PEAK	750,000	0.0000	\$ -
WINTER OFF PEAK	750,000	0.0000	\$ -

TOTAL \$ -

	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	0.0000	\$ -
SUMMER PEAK		\$/KWH	
SUMMER PEAK	750,000	0.0000	\$ -
SUMMER OFF PEAK	750,000	0.0000	\$ -

TOTAL \$ -

LARGE USE

ENTER DESIRED CONSUMPTION LEVEL

	KW	RATE \$/KW	CHARGE \$
WINTER PEAK		2.2900	\$ -
WINTER PEAK		\$/KWH	
WINTER PEAK		0.0000	\$ -
WINTER OFF PEAK		0.0000	\$ -

TOTAL \$ -

	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK		1.6800	\$ -
SUMMER PEAK		\$/KWH	
SUMMER PEAK		0.0000	\$ -
SUMMER OFF PEAK		0.0000	\$ -

NEW BILL AFTER MARR

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: WINTER PEAK	500000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	500000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL		#DIV/0!	#DIV/0!	

NEW BILL AFTER MARR

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: SUMMER PEAK	500000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	500000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL		#DIV/0!	#DIV/0!	

NEW BILL AFTER MARR

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: WINTER PEAK	750000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	750000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL		#DIV/0!	#DIV/0!	

NEW BILL AFTER MARR

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: SUMMER PEAK	750000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL		#DIV/0!	#DIV/0!	

NEW BILL AFTER MARR

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	#DIV/0!	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	#DIV/0!	#DIV/0!	#DIV/0!	
COST OF POWER KWH: WINTER PEAK	#DIV/0!	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	#DIV/0!	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE		#DIV/0!	#DIV/0!	
TOTAL		#DIV/0!	#DIV/0!	

UNBUNDLED BILL

	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK	#DIV/0!	#DIV/0!		
DISTRIBUTION KW	#DIV/0!	#DIV/0!		
COST OF POWER KWH:	\$/KWH			

DISTRIBUTION DATE
APRIL 10, 2000

				SUMMER PEAK		#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK		#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE				#DIV/0!	
TOTAL					\$ -			#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000 KW, 0.5 MILL KWH CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$			
WINTER PEAK				5000	2.2900	\$ 11,450.00			
					\$/KWH				
WINTER PEAK				250,000	0.0000	\$ -			
WINTER OFF PEAK				250,000	0.0000	\$ -			
TOTAL						\$ 11,450.00			
NEW BILL AFTER MARR									
					RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK				5000	#DIV/0!	#DIV/0!			
DISTRIBUTION KW				5000	#DIV/0!	#DIV/0!			
COST OF POWER KWH: WINTER PEAK				250,000	#DIV/0!	#DIV/0!			
WINTER OFF PEAK				250,000	#DIV/0!	#DIV/0!			
MONTHLY DISTRIBUTION CHARGE TOTAL						#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SUMMER PEAK				5000	1.6800	\$ 8,400.00			
					\$/KWH				
SUMMER PEAK				250,000	0.0000	\$ -			
SUMMER OFF PEAK				250,000	0.0000	\$ -			
TOTAL						\$ 8,400.00			
UNBUNDLED BILL									
					RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK				5000	#DIV/0!	#DIV/0!			
DISTRIBUTION KW				5000	#DIV/0!	#DIV/0!			
COST OF POWER KWH: SUMMER PEAK				250,000	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK				250,000	#DIV/0!	#DIV/0!			
MONTHLY DISTRIBUTION CHARGE TOTAL						#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000 KW, 1 MILL KWH CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$			
WINTER PEAK				5000	2.2900	\$ 11,450.00			
					\$/KWH				
WINTER PEAK				500,000	0.0000	\$ -			
WINTER OFF PEAK				500,000	0.0000	\$ -			
TOTAL						\$ 11,450.00			
UNBUNDLED BILL									
					RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK				5000	#DIV/0!	#DIV/0!			
DISTRIBUTION KW				5000	#DIV/0!	#DIV/0!			
COST OF POWER KWH: WINTER PEAK				500,000	#DIV/0!	#DIV/0!			
WINTER OFF PEAK				500,000	#DIV/0!	#DIV/0!			
MONTHLY DISTRIBUTION CHARGE TOTAL						#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SUMMER PEAK				5000	1.6800	\$ 8,400.00			
					\$/KWH				
SUMMER PEAK				500,000	0.0000	\$ -			
SUMMER OFF PEAK				500,000	0.0000	\$ -			
TOTAL						\$ 8,400.00			
UNBUNDLED BILL									
					RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK				5000	#DIV/0!	#DIV/0!			
DISTRIBUTION KW				5000	#DIV/0!	#DIV/0!			
COST OF POWER KWH: SUMMER PEAK				500,000	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK				500,000	#DIV/0!	#DIV/0!			
MONTHLY DISTRIBUTION CHARGE TOTAL						#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 5000 KW, 1.5 MILL KWH CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$			
WINTER PEAK				5000	2.2900	\$ 11,450.00			
					\$/KWH				
WINTER PEAK				750,000	0.0000	\$ -			
WINTER OFF PEAK				750,000	0.0000	\$ -			
TOTAL						\$ 11,450.00			
UNBUNDLED BILL									
					RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK				5000	#DIV/0!	#DIV/0!			
DISTRIBUTION KW				5000	#DIV/0!	#DIV/0!			
COST OF POWER KWH: WINTER PEAK				750,000	#DIV/0!	#DIV/0!			
WINTER OFF PEAK				750,000	#DIV/0!	#DIV/0!			
MONTHLY DISTRIBUTION CHARGE TOTAL						#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CURRENT BILL									
				KW	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT

[illegible]

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 12 - SENSITIVITY ANALYSIS 1

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Midwest Ontario Power
0
00-Jan-00
37576
Tim Curia
0

RATE IMPACT OF VARYING THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUE
FOR UNBUNDLED RATES

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES. YOU WILL NEED TO ADD GENERAL SERVICE TIME OF USE AND KWH CONSUMPTION DATA YOURSELF FOR SENSITIVITY ANALYSIS 1, 2 AND 3.

RESIDENTIAL

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
			\$ 784,752.56
(B) CHOSEN REVENUE SHARES	0.211	0.789	
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 165,463.74	\$ 619,288.81	\$ 784,752.55
(D) RETAIL KWH	26,687,700		
(E) NUMBER OF CUSTOMERS		3011	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C/D)	\$0.0062		
(G) MONTHLY SERVICE CHARGE (C)/(E)*(F)		\$17.1386	

RESIDENTIAL CLASS

NON-TIME OF USE

	CURRENT BILL			UNBUNDLED BILL			IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$		
ENTER DESIRED CONSUMPTION LEVEL	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ -		
	FIRST 100 KWH		0.1374 \$ -			\$17.14		
	BALANCE		0.0062 \$ -		0.0062	\$ -		
	TOTAL		\$ -			\$ 17.14	\$ 17.14	100%
	CURRENT BILL			UNBUNDLED BILL				
	KWH	RATE \$/KWH	CHARGE \$	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT
MONTHLY CONSUMPTION OF 250 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 17.64		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	150	0.0062 \$ 0.93		0.0062	\$ 0.93		
	TOTAL		\$ 14.67			\$ 18.07	\$ 3.40	23.2%
MONTHLY CONSUMPTION OF 500 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 35.28		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	400	0.0062 \$ 2.48		0.0062	\$ 2.48		
	TOTAL		\$ 16.22			\$ 19.62	\$ 3.40	20.9%
MONTHLY CONSUMPTION OF 750 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 52.92		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	650	0.0062 \$ 4.02		0.0062	\$ 4.02		
	TOTAL		\$ 17.76			\$ 21.16	\$ 3.40	19.1%
MONTHLY CONSUMPTION OF 1000 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 70.56		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	900	0.0062 \$ 5.58		0.0062	\$ 5.58		
	TOTAL		\$ 19.32			\$ 22.72	\$ 3.40	17.5%
MONTHLY CONSUMPTION OF 1500 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 105.84		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	1400	0.0062 \$ 8.68		0.0062	\$ 8.68		
	TOTAL		\$ 22.42			\$ 25.82	\$ 3.40	15.1%
MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 141.12		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	1900	0.0062 \$ 11.78		0.0062	\$ 11.78		
	TOTAL		\$ 25.52			\$ 28.92	\$ 3.40	13.1%
ANNUAL CONSUMPTION OF 20000 KWH	SERVICE CHARGE		\$ -	COST OF POWER MONTHLY DISTRIBUTION CHARGE DISTRIBUTION KWH TOTAL	0.0706	\$ 1,411.50		
	FIRST 100 KWH	100	0.1374 \$ 13.74			\$ 17.14		
	BALANCE	19900	0.0062 \$ 124.00		0.0062	\$ 124.00		
	TOTAL		\$ 137.74			\$ 141.14	\$ 3.40	2.5%

DISTRIBUTION DATE
APRIL 10, 2000

ANNUAL CONSUMPTION OF 30000 KWH				COST OF POWER				DOLLARS	
SERVICE CHARGE		\$/KWH	\$	30000	0.0706	\$	2,117.39		
FIRST 100 KWH	1200	0.1374	\$ 164.88	ANNUAL DISTRIBUTION CHARGE		\$	205.68		
BALANCE	20000	0.0833	\$ 2,398.04	DISTRIBUTION KWH	30000	0.0082	\$ 246.00		
TOTAL			\$ 2,563.92	TOTAL		\$	2,569.07	\$ (54.85)	-2.1%

GENERAL SERVICE <50 KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	\$29,321.15
(B) CHOSEN REVENUE SHARES	0.211	0.789	
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 111,732.97	\$ 416,104.16	\$ 529,821.15
(D) RETAIL KWH	22,600.641		
(E) NUMBER OF CUSTOMERS		444	
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)	\$0.0049		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$78.4066	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL				UNBUNDLED BILL					
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT
SERVICE CHARGE									
1ST BLOCK 50 KW		4,300.00							
2ND BLOCK BALANCE		0.0000	\$ -	DISTRIBUTION KW		\$ -			
1ST BLOCK 100 KWH	\$/KWH			COST OF POWER KWH	\$/KWH				
NEXT BLOCK 12400		0.0975	\$ -		0.0656	\$ -			
		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE		\$78.4066			
NEXT BLOCK			\$ -	DISTRIBUTION KWH	2000	0.0049	\$ 9.85		
BALANCE		0.0680	\$ -	TOTAL		\$ 88.34		\$ 88.34	100.0%
TOTAL			\$ -						

MONTHLY CONSUMPTION 10 KW 2050 KWH

CURRENT BILL				UNBUNDLED BILL					
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT
SERVICE CHARGE									
1ST BLOCK 50 KW		4,300.00	\$ 43.00						
2ND BLOCK BALANCE		0.0000	\$ -	DISTRIBUTION KW		\$ -			
1ST BLOCK 100 KWH	\$/KWH			COST OF POWER KWH	\$/KWH				
NEXT BLOCK 12400		0.0975	\$ 9.75		2000	0.0656	\$ 130.80		
		0.0680	\$ 129.20	MONTHLY DISTRIBUTION CHARGE		\$ 78.49			
NEXT BLOCK			\$ -	DISTRIBUTION KWH	2000	0.0049	\$ 9.85		
BALANCE		0.0680	\$ -	TOTAL		\$ 227.24		\$ 45.29	24.9%
TOTAL			\$ 161.95						

MONTHLY CONSUMPTION 50 KW 5000 KWH

CURRENT BILL				UNBUNDLED BILL					
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT
SERVICE CHARGE									
1ST BLOCK 50 KW		4,300.00	\$ 215.00						
2ND BLOCK BALANCE		0.0000	\$ -	DISTRIBUTION KW		\$ -			
1ST BLOCK 100 KWH	\$/KWH			COST OF POWER KWH	\$/KWH				
NEXT BLOCK 12400		0.0975	\$ 9.75		5000	0.0656	\$ 347.20		
		0.0680	\$ 333.20	MONTHLY DISTRIBUTION CHARGE		\$ 78.49			
NEXT BLOCK			\$ -	DISTRIBUTION KWH	5000	0.0049	\$ 24.63		
BALANCE		0.0680	\$ -	TOTAL		\$ 450.38		\$ (197.57)	-19.3%
TOTAL			\$ 557.95						

GENERAL SERVICE NON TIME OF USE >50KW

	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(A) DISTRIBUTION REVENUE		\$	\$273,040.96
(B) CHOSEN REVENUE SHARES	0.211	0.789	
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 57,570.22	\$ 215,470.74	\$ 273,040.96
(D) RETAIL KW	18,117		
(E) NUMBER OF CUSTOMERS		22	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$3.1778		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$416.1770	

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL				UNBUNDLED BILL					
KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$			IMPACT DOLLARS	IMPACT
SERVICE CHARGE									
1ST BLOCK 50 KW		6,7500	\$ -	COST OF POWER KW	1,4881	\$ -			
2ND BLOCK BALANCE		8,2500	\$ -	DISTRIBUTION KW	3,1778	\$ -			
	\$/KWH	0.0000	\$ -	COST OF POWER KWH					
1ST BLOCK 100 KWH		0.0780	\$ -		0.0340	\$ -		\$ -	100.0%
NEXT BLOCK 12400		0.0680	\$ -	MONTHLY DISTRIBUTION CHARGE		\$816.1770			
NEXT BLOCK		0.0680	\$ -						
BALANCE		0.0680	\$ -						
TOTAL			\$ -						

DISTRIBUTION DATE
APRIL 18, 2000

TOTAL				TOTAL				\$ 816.18		\$ 816.18		MONTHLY CONSUMPTION 100KW,20000KWH			
CURRENT BILL				UNBUNDLED BILL											
KW				RATE \$/KW				CHARGE \$				IMPACT DOLLARS		IMPACT	
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				50				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				7500				0.0680 \$ 510.00							
				0.0680 \$ -											
TOTAL								\$ 1,673.50							
MONTHLY CONSUMPTION 100KW,30000KWH				CURRENT BILL				UNBUNDLED BILL							
KW				RATE \$/KW				CHARGE \$							
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				50				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				17500				0.0680 \$ 1,190.00							
				0.0680 \$ -											
TOTAL								\$ 2,353.50							
MONTHLY CONSUMPTION 100KW,40000KWH				CURRENT BILL				UNBUNDLED BILL							
KW				RATE \$/KW				CHARGE \$							
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				50				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				27500				0.0680 \$ 1,870.00							
				0.0680 \$ -											
TOTAL								\$ 3,033.50							
MONTHLY CONSUMPTION 500KW,180000KWH				CURRENT BILL				UNBUNDLED BILL							
KW				RATE \$/KW				CHARGE \$							
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				450				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				137500				0.0680 \$ 9,350.00							
				0.0680 \$ -											
TOTAL								\$ 10,513.50							
MONTHLY CONSUMPTION 500KW,201000KWH				CURRENT BILL				UNBUNDLED BILL							
KW				RATE \$/KW				CHARGE \$							
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				450				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				187500				0.0680 \$ 12,750.00							
				0.0680 \$ -											
TOTAL								\$ 13,913.50							
MONTHLY CONSUMPTION 500KW,250000KWH				CURRENT BILL				UNBUNDLED BILL							
KW				RATE \$/KW				CHARGE \$							
SERVICE CHARGE				\$ -											
1ST BLOCK 50 KW				50				6.2500 \$ 312.50							
2ND BLOCK BALANCE				450				6.2500 \$ -							
				0.0000 \$ -											
1ST BLOCK 100 KWH				100				0.0780 \$ 7.80							
NEXT BLOCK 12400				12400				0.0680 \$ 843.20							
NEXT BLOCK BALANCE				237500				0.0680 \$ 16,150.00							
				0.0680 \$ -											
TOTAL								\$ 16,150.00							

DISTRIBUTION DATE
APRIL 10, 2000

TOTAL					\$ 17,313.60					TOTAL					\$ 11,804.07					\$ (5,508.53)					-31.8%				
MONTHLY CONSUMPTION 10000 KW, 100000 KWH																													
CURRENT BILL												UNBUNDLED BILL																	
KW RATE \$/KW CHARGE \$												RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT																	
SERVICE CHARGE																													
1ST BLOCK 60 KW												COST OF POWER KW																	
50 0.2500 \$ 312.50												1000 1.4931 \$ 1,493.11																	
2ND BLOCK BALANCE												DISTRIBUTION KW																	
950 0.2500 \$ -												1000 3.1778 \$ 3,177.75																	
1ST BLOCK 100 KWH												COST OF POWER \$/KWH																	
100 0.0780 \$ 7.80												100000 0.0346 \$ 3,461.34																	
NEXT BLOCK 12400												MONTHLY DISTRIBUTION CHARGE																	
12400 0.0580 \$ 843.20																													
NEXT BLOCK BALANCE																													
87500 0.0580 \$ 5,069.00																													
TOTAL												TOTAL																	
\$ 7,113.50												\$ 8,948.38																	
\$ 1,834.86 25.8%																													
MONTHLY CONSUMPTION 10000 KW, 300000 KWH																													
CURRENT BILL												UNBUNDLED BILL																	
KW RATE \$/KW CHARGE \$												RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT																	
SERVICE CHARGE																													
1ST BLOCK 50 KW												COST OF POWER KW																	
50 6.7500 \$ 312.50												1000 1.4931 \$ 1,493.11																	
2ND BLOCK BALANCE												DISTRIBUTION KW																	
950 6.7500 \$ -												1000 3.1778 \$ 3,177.75																	
1ST BLOCK 100 KWH												COST OF POWER \$/KWH																	
100 0.0780 \$ 7.80												200000 0.0346 \$ 6,922.69																	
NEXT BLOCK 12400												MONTHLY DISTRIBUTION CHARGE																	
12400 0.0580 \$ 843.20																													
NEXT BLOCK BALANCE																													
287500 0.0580 \$ 16,755.00																													
TOTAL												TOTAL																	
\$ 20,113.50												\$ 12,409.72																	
\$ (8,303.78) -40.1%																													
MONTHLY CONSUMPTION 10000 KW, 500000 KWH																													
CURRENT BILL												UNBUNDLED BILL																	
KW RATE \$/KW CHARGE \$												RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT																	
SERVICE CHARGE																													
1ST BLOCK 50 KW												COST OF POWER KW																	
50 4.7500 \$ 312.50												1000 1.4931 \$ 1,493.11																	
2ND BLOCK BALANCE												DISTRIBUTION KW																	
950 4.7500 \$ -												1000 3.1778 \$ 3,177.75																	
1ST BLOCK 100 KWH												COST OF POWER \$/KWH																	
100 0.0780 \$ 7.80												500000 0.0346 \$ 17,300.72																	
NEXT BLOCK 12400												MONTHLY DISTRIBUTION CHARGE																	
12400 0.0580 \$ 843.20																													
NEXT BLOCK BALANCE																													
487500 0.0580 \$ -33,150.00																													
TOTAL												TOTAL																	
\$ 34,313.50												\$ 22,700.76																	
\$ (11,612.75) -33.6%																													
GENERAL SERVICE >50 KW TIME OF USE																													
(A) DISTRIBUTION REVENUE																													
(B) CHOSEN REVENUE SHARES																													
(C) RE-ALLOCATED REVENUE (A)(B)																													
(D) RETAIL KW																													
(E) NUMBER OF CUSTOMERS																													
(F) DISTRIBUTION KW RATE (\$/KW) (C)(D)																													
(G) MONTHLY SERVICE CHARGE (C)(E)(F)																													
VARIABLE REVENUE SERVICE CHARGE TOTAL REVENUE																													
\$ 67,002.07 \$ 753,017.35 \$ 320,619.46																													
108,852 6																													
\$ 6.327 \$3,514.1195																													
ENTER DESIRED CONSUMPTION LEVELS																													
CURRENT BILL												UNBUNDLED BILL																	
SERVICE CHARGE																													
0.0000																													
KW RATE \$/KW CHARGE \$												RATE \$/KW CHARGE \$ IMPACT DOLLARS IMPACT																	
WINTER FIRST 50 KW												COST OF POWER																	
50 9.4700 \$ 473.50																													
WINTER SECOND BLOCK												WINTER PEAK																	
1306 9.4700 \$ 13,220.12												1448 9.8420 \$ 13,029.44																	
WINTER BALANCE BLOCK												WINTER PEAK \$/KWH																	
9.4700 \$ -												341378 0.0649 \$ 22,142.10																	
WINTER PEAK FIRST BLOCK												WINTER OFF PEAK																	
341378 0.0723 \$ 24,881.63												247487 0.0337 \$ 8,629.34																	
WINTER PEAK NEXT BLOCK												DISTRIBUTION KW																	
0.0723 \$ -												1448 0.6327 \$ 914.84																	
WINTER PEAK NEXT BLOCK												MONTHLY SERVICE CHARGE																	
0.0723 \$ -												3514.1306																	
WINTER BALANCE BLOCK																													
0.0723 \$ -																													
WINTER OFF PEAK ALL																													
247487 0.0441 \$ 10,913.26																													
TOTAL												TOTAL																	
\$ 49,388.54												\$ 40,339.64																	
\$ 51.30 0.1%																													
CURRENT BILL																													
SERVICE CHARGE																													
0.0000																													
KW RATE \$/KW CHARGE \$																													
SUMMER FIRST 50 KW																													
50 7.0900 \$ 354.50																													
SUMMER SECOND BLOCK																													
1472 7.0900 \$ 10,438.48																													
SUMMER BALANCE BLOCK																													
7.0900 \$ -																													
SUMMER PEAK																													
1522 7.2160 \$ 10,882.75																													
TOTAL																													
\$ 20,113.50																													

DISTRIBUTION DATE
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	\$/KWH		SUMMER PEAK	337000	0.0630	\$ 18,056.71		
SUMMER PEAK FIRST BLOCK	337000	0.0614	\$ 20,646.36	SUMMER OFF PEAK	239147	0.0245	\$ 5,858.13	
SUMMER PEAK NEXT BLOCK		0.0614						
SUMMER PEAK NEXT BLOCK		0.0614	\$ -	DISTRIBUTION KW	1522	0.8327	\$ 1,267.82	
SUMMER BALANCE BLOCK		0.0614	\$ -	MONTHLY SERVICE CHARGE			3614.1305	
SUMMER OFF PEAK ALL	299147	0.0332	\$ 7,379.68					
TOTAL			\$ 38,426.02	TOTAL		\$ 38,374.64	\$ (51.38)	-0.1%

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE

(B) CHOSEN REVENUE SHARES

(C) RE-ALLOCATED REVENUE (A)/(B)

(D) RETAIL KW

(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)

(G) MONTHLY SERVICE CHARGE (C)/(F)*12

ENTER DESIRED CONSUMPTION LEVEL

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
0.400	0.600	
\$ -	\$ -	\$ -
0	0	

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK		0.0000	\$ -
WINTER PEAK		\$/KWH	0.0000 \$ -
WINTER OFF PEAK		0.0000	\$ -
TOTAL			\$ -

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	#DIV/0!	#DIV/0!		
DISTRIBUTION KW	#DIV/0!	#DIV/0!		
COST OF POWER KWH: WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL	#DIV/0!	#DIV/0!		

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK		0.0000	\$ -
SUMMER PEAK		\$/KWH	0.0000 \$ -
SUMMER OFF PEAK		0.0000	\$ -
TOTAL			\$ -

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK	#DIV/0!	#DIV/0!		
DISTRIBUTION KW	#DIV/0!	#DIV/0!		
COST OF POWER KWH: SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL	#DIV/0!	#DIV/0!		

MONTHLY CONSUMPTION 3000 KW, 500,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
WINTER PEAK		\$/KWH	250,000 0.0000 \$ -
WINTER OFF PEAK	250,000	0.0000	\$ -
TOTAL			\$ -

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: WINTER PEAK	250000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	250000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL	#DIV/0!	#DIV/0!		

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	3000	0.0000	\$ -
SUMMER PEAK		\$/KWH	250,000 0.0000 \$ -
SUMMER OFF PEAK	250,000	0.0000	\$ -
TOTAL			\$ -

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KWH: SUMMER PEAK	250000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	250000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL	#DIV/0!	#DIV/0!		

MONTHLY CONSUMPTION 3000 KW, 600,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	3000	0.0000	\$ -
WINTER PEAK		\$/KWH	600,000 0.0000 \$ -
WINTER OFF PEAK	600,000	0.0000	\$ -
TOTAL			\$ -

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!	

				DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
				COST OF POWER					
				KWH: WINTER PEAK	500000	#DIV/0!	#DIV/0!		
				WINTER OFF PEAK	500000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!		
TOTAL		\$						#DIV/0!	#DIV/0!
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000	\$/KWH	0.0000 \$	COST OF POWER					
SUMMER PEAK	500,000		0.0000 \$	KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	500,000		0.0000 \$	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
				COST OF POWER					
				KWH: SUMMER PEAK	500000	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	500000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!		
TOTAL		\$						#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 1.5 MILL KWH				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
WINTER PEAK	3000	\$/KWH	0.0000 \$	COST OF POWER					
WINTER PEAK	750,000		0.0000 \$	KW: WINTER PEAK	3000	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	750,000		0.0000 \$	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
				COST OF POWER					
				KWH: WINTER PEAK	750000	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!		
TOTAL		\$						#DIV/0!	#DIV/0!

CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000	\$/KWH	0.0000 \$	COST OF POWER					
SUMMER PEAK	750,000		0.0000 \$	KW: SUMMER PEAK	3000	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	750,000		0.0000 \$	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
				COST OF POWER					
				KWH: SUMMER PEAK	750000	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!		
TOTAL		\$						#DIV/0!	#DIV/0!

LARGE USE

- (A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES
(C) RE-ALLOCATED REVENUE (A)/(B)
(D) RETAIL KW
(E) NUMBER OF CUSTOMERS
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)
(G) MONTHLY SERVICE CHARGE (C)/(E)/(F)
ENTER DESIRED CONSUMPTION LEVEL

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE							
0.400	0.500								
\$ - \$	\$ - \$	\$ - \$							
0	0								
#DIV/0!	#DIV/0!								
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
WINTER PEAK			2.2900 \$	COST OF POWER					
WINTER PEAK		\$/KWH	0.0000 \$	KW: WINTER PEAK	#DIV/0!	#DIV/0!			
WINTER OFF PEAK			0.0000 \$	DISTRIBUTION KW	#DIV/0!	#DIV/0!			
				COST OF POWER					
				KWH: WINTER PEAK	#DIV/0!	#DIV/0!			
				WINTER OFF PEAK	#DIV/0!	#DIV/0!			
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!		
TOTAL		\$						#DIV/0!	#DIV/0!
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SUMMER PEAK		\$/KWH	1.0000 \$	COST OF POWER					
SUMMER PEAK			0.0000 \$	KW: SUMMER PEAK	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK			0.0000 \$	DISTRIBUTION KW	#DIV/0!	#DIV/0!			
				COST OF POWER					
				KWH: SUMMER PEAK	#DIV/0!	#DIV/0!			

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				SUMMER OFF PEAK	#DIV/0!	#DIV/0!			
				MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!			
TOTAL				\$			#DIV/0!	#DIV/0!	
MONTHLY CONSUMPTION 5000 KWH, 0.5 MILL KWH									
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
WINTER PEAK	5000		2.2000	\$ 11,450.00					
		\$/KWH							
WINTER PEAK	250,000		0.0000	\$ -	COST OF POWER KW WINTER PEAK	5000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	250,000		0.0000	\$ -					
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH WINTER PEAK	250,000 #DIV/0!	#DIV/0!		
					WINTER OFF PEAK	250,000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL				\$ 11,450.00			#DIV/0!	#DIV/0!	
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK	5000		1.6000	\$ 8,400.00					
		\$/KWH							
SUMMER PEAK	250,000		0.0000	\$ -	COST OF POWER KW SUMMER PEAK	5000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	250,000		0.0000	\$ -					
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH SUMMER PEAK	250,000 #DIV/0!	#DIV/0!		
					SUMMER OFF PEAK	250,000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL				\$ 8,400.00			#DIV/0!	#DIV/0!	
MONTHLY CONSUMPTION 5000 KW, 1 MILL KWH									
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
WINTER PEAK	5000		2.2000	\$ 11,450.00					
		\$/KWH							
WINTER PEAK	500,000		0.0000	\$ -	COST OF POWER KW WINTER PEAK	5000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	500,000		0.0000	\$ -					
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH WINTER PEAK	500,000 #DIV/0!	#DIV/0!		
					WINTER OFF PEAK	500,000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL				\$ 11,450.00			#DIV/0!	#DIV/0!	
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK	5000		1.6000	\$ 8,400.00					
		\$/KWH							
SUMMER PEAK	500,000		0.0000	\$ -	COST OF POWER KW SUMMER PEAK	5000 #DIV/0!	#DIV/0!		
SUMMER OFF PEAK	500,000		0.0000	\$ -					
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH SUMMER PEAK	500,000 #DIV/0!	#DIV/0!		
					SUMMER OFF PEAK	500,000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL				\$ 8,400.00			#DIV/0!	#DIV/0!	
MONTHLY CONSUMPTION 5000 KW, 1.5 MILL KWH									
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
WINTER PEAK	5000		2.2000	\$ 11,450.00					
		\$/KWH							
WINTER PEAK	750,000		0.0000	\$ -	COST OF POWER KW WINTER PEAK	5000 #DIV/0!	#DIV/0!		
WINTER OFF PEAK	750,000		0.0000	\$ -					
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		
					COST OF POWER KWH WINTER PEAK	750,000 #DIV/0!	#DIV/0!		
					WINTER OFF PEAK	750,000 #DIV/0!	#DIV/0!		
					MONTHLY DISTRIBUTION CHARGE TOTAL	#DIV/0!	#DIV/0!		
TOTAL				\$ 11,450.00			#DIV/0!	#DIV/0!	
CURRENT BILL				UNBUNDLED BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK	5000		1.6000	\$ 8,400.00					
		\$/KWH							
SUMMER PEAK	750,000		0.0000	\$ -	COST OF POWER KW SUMMER PEAK	5000 #DIV/0!	#DIV/0!		
					DISTRIBUTION KW	5000 #DIV/0!	#DIV/0!		

SUMMER OFF				COST OF POWER				\$MWH			
PEAK				750,000				0.0000 \$			
				SUMMER PEAK				750,000 #0N/0' #0N/0'			
				SUMMER OFF				750,000 #0N/0' #0N/0'			
				PEAK							
				MONTHLY							
				DISTRIBUTION							
				CHARGE							
				TOTAL				#0N/0' #0N/0' #0N/0'			
TOTAL				\$ 8,400.00							
SENTINEL LIGHTS (NON TIME OF USE)											
(A) DISTRIBUTION REVENUE	VARIABLE	SERVICE	TOTAL								
	REVENUE	CHARGE	REVENUE								
			\$	1,439.89							
(B) CHOSEN REVENUE SHARES	0.211	0.789									
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 303.90	\$ 1,135.99	\$	1,439.89							
(D) RETAIL KW	129										
(E) NUMBER OF CONNECTIONS		50									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.3525										
(G) MONTHLY SERVICE CHARGE (C)/(E)*(12)		\$11.8938									
SENTINEL LIGHTS (TIME OF USE)											
(A) DISTRIBUTION REVENUE	VARIABLE	SERVICE	TOTAL								
	REVENUE	CHARGE	REVENUE								
			\$	(5,320.35)							
(B) CHOSEN REVENUE SHARES	0.211	0.789									
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ (1,121.79)	\$ (4,198.56)	\$	(5,320.35)							
(D) RETAIL KW	0										
(E) NUMBER OF CONNECTIONS		50									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#0N/0'										
(G) MONTHLY SERVICE CHARGE (C)/(E)*(12)		(\$8,907.7)									
STREET LIGHTING (NON TIME OF USE)											
(A) DISTRIBUTION REVENUE	VARIABLE	SERVICE	TOTAL								
	REVENUE	CHARGE	REVENUE								
			\$	16,927.05							
(B) CHOSEN REVENUE SHARES	0.211	0.789									
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ 3,562.04	\$ 13,356.01	\$	16,927.05							
(D) RETAIL KW	1,662										
(E) NUMBER OF CONNECTIONS		500									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.1397										
(G) MONTHLY SERVICE CHARGE (C)/(E)*(12)		\$1,864.7									
STREET LIGHTING (TIME OF USE)											
(A) DISTRIBUTION REVENUE	VARIABLE	SERVICE	TOTAL								
	REVENUE	CHARGE	REVENUE								
			\$	(35,900.59)							
(B) CHOSEN REVENUE SHARES	0.211	0.789									
(C) RE-ALLOCATED REVENUE (A)*(B)	\$ (7,590.24)	\$ (28,408.35)	\$	(35,900.59)							
(D) RETAIL KW	0										
(E) NUMBER OF CONNECTIONS		900									
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#0N/0'										
(G) MONTHLY SERVICE CHARGE (C)/(E)*(12)		(\$4,012.5)									

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 13 - SENSITIVITY ANALYSIS 2
NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
00-Jan-00
37076
Tim Cuthbert
0

RATE IMPACT FOR MARR PRIOR TO MARKET OPENING (i.e. NO TAXES)

THIS SECTION OF THE SPREADSHEET ALLOWS YOU TO VARY THE PERCENTAGES OF VARIABLE CHARGE AND SERVICE CHARGE REVENUES TO INVESTIGATE THE RATE IMPACTS FROM RATE DESIGN OF MAKING CHANGES IN THE CHOSEN LEVEL OF THESE VARIABLES.
THE LEVELS CHOSEN FOR THE PERCENTAGES OF VARIABLE AND SERVICE CHARGE REVENUES FOR MARR BEFORE MARKET OPENING AND AFTER MARKET OPENING MUST BE THE SAME AS THE FINAL ONES CHOSEN FOR UNBUNDLED RATES. THIS IS DONE AUTOMATICALLY.

(A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES
(C) RE-RE-ALLOCATED REVENUE (A)/(B)
(D) RETAIL KWH
(E) NUMBER OF CUSTOMERS
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)
(G) MONTHLY SERVICE CHARGE (C)/(E)/(F)
RESIDENTIAL CLASS
NON-TIME OF USE

VARIABLE REVENUE
0.21
\$ 166,871.55
\$ 824,557.87
\$ 791,429.42

SERVICE CHARGE
0.785
\$ 1,111.55
\$ 791,429.42

TOTAL REVENUE
\$ 791,429.42

3011
\$0.0063
\$17.2854

per rate order

This sheet makes
H. Board Order
you rates

CURRENT BILL				NEW BILL			
KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
CURRENT BILL				NEW BILL			
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 250 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 500 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 750 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 1000 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 1500 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
MONTHLY CONSUMPTION OF 2000 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				MONTHLY DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
ANNUAL CONSUMPTION OF 20000 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				ANNUAL DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			
ANNUAL CONSUMPTION OF 30000 KWH							
SERVICE CHARGE				COST OF POWER			
FIRST 250 KWH				ANNUAL DISTRIBUTION CHARGE			
BALANCE				DISTRIBUTION KWH			
TOTAL				TOTAL			

DISTRIBUTION DATE
APRIL 10, 2000

TOTAL \$ 2,847.30 TOTAL \$ 2,512.40 \$ (334.90) -11.8%

GENERAL SERVICE <50 KW

(A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES 0.21 0.789
(C) RE-ALLOCATED REVENUE (A)/(B) \$ 112,563.02 \$ 421,746.23 \$ 534,420.85
(D) RETAIL KWH 22,680,641
(E) NUMBER OF CUSTOMERS 444
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D) \$0.0050
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 \$79.1566

NOTE: First Block of Energy for Commercial Customers is based on 100 hours of monthly demand
Balance block of energy refers to all other KWH's consumed.

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			4.3000					
2ND BLOCK								
BALANCE		\$/KWH	0.0000					
1ST BLOCK			0.1037					
NEXT BLOCK			0.0742					
NEXT BLOCK								
BALANCE			0.0742					
TOTAL			\$					

MONTHLY CONSUMPTION 10 KW, 2000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			4.3000					
2ND BLOCK								
BALANCE		\$/KWH	0.0000					
1ST BLOCK			0.1037					
NEXT BLOCK			0.0742					
NEXT BLOCK								
BALANCE			0.0742					
TOTAL			\$					

MONTHLY CONSUMPTION 30 KW, 5000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			4.3000					
2ND BLOCK								
BALANCE		\$/KWH	0.0000					
1ST BLOCK			0.1037					
NEXT BLOCK			0.0742					
NEXT BLOCK								
BALANCE			0.0742					
TOTAL			\$					

GENERAL SERVICE NON TIME OF USE >50KW

(A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES 0.21 0.789
(C) RE-ALLOCATED REVENUE (A)/(B) \$ 58,066.04 \$ 217,304.01 \$ 275,364.06
(D) RETAIL KW 22
(E) NUMBER OF CUSTOMERS 444
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D) \$3.2048
(G) MONTHLY SERVICE CHARGE (C)/(E)/12 \$813.1213

NOTE: First Block of Energy for Commercial Customers is based on 100 hours of monthly demand
Balance block of energy refers to all other KWH's consumed

ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			6.2500					
2ND BLOCK								
BALANCE		\$/KWH	0.0000					
1ST BLOCK			0.0842					
NEXT BLOCK			0.0742					
NEXT BLOCK								
BALANCE			0.0742					
TOTAL			\$					

MONTHLY CONSUMPTION 100KW, 20000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW			6.2500					
2ND BLOCK								
BALANCE		\$/KWH	0.0000					
1ST BLOCK			0.0842					
NEXT BLOCK			0.0742					
NEXT BLOCK								
BALANCE			0.0742					
TOTAL			\$					

DISTRIBUTION DATE
APRIL 19, 2000

[illegible]

DISTRIBUTION DATE
APRIL 10, 2000

2ND BLOCK BALANCE	950	6.2500	\$	5,937.50	DISTRIBUTION KW	1000	3.2048	\$	3,204.79
		\$/KWH							
1ST BLOCK NEXT BLOCK	100000	0.0042	\$	8,420.00	COST OF POWER KWH	340000	0.0340	\$	10,364.03
	200000	0.0742	\$	14,840.00					
NEXT BLOCK BALANCE	0	0.0742	\$	-	MONTHLY DISTRIBUTION CHARGE			\$	823.12
TOTAL			\$	29,510.00	TOTAL			\$	11,905.05

MONTHLY CONSUMPTION 1000KW,500000KWH

CURRENT BILL				NEW BILL				
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SERVICE CHARGE								
1ST BLOCK 50 KW	50	6.2500	\$ 312.50	COST OF POWER KW	1000	1.4891	\$ 1,489.11	
2ND BLOCK	950	6.2500	\$ 5,937.50	DISTRIBUTION KW	1000	3.2048	\$ 3,204.79	
BALANCE		0.0000	\$ -					
		KWH						
1ST BLOCK	100000	0.0842	\$ 8,420.00	COST OF POWER KWH	500000	0.0348	\$ 17,306.72	
NEXT BLOCK	400000	0.0742	\$ 29,680.00					
				MONTHLY DISTRIBUTION CHARGE				
NEXT BLOCK		0.0742	\$ -					
BALANCE		0.0742	\$ -			\$ 1723.12		
TOTAL			\$ 44,300.00	TOTAL		\$ 22,827.74	\$ (21,527.74)	-48.5%

GENERAL SERVICE=50 KW TIME OF USE

- (A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES
(C) RE-RE-ALLOCATED REVENUE (A)/(B)
(D) RETAIL KW
(E) NUMBER OF CUSTOMERS
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)
(G) MONTHLY SERVICE CHARGE (C)/(E)/12

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
0.21	0.788	\$ 323,347.37
\$ 68,177.24	\$ 255,170.13	\$ 323,347.37

108,832	0	\$ 0.0381	\$3,544.0285
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ENTER DESIRED CONSUMPTION LEVELS

CURRENT BILL

SERVICE CHARGE 0.0000

KW	RATE \$/KW	CHARGE \$
WINTER FIRST 50 KW	50	9,470.00
WINTER SECOND BLOCK	1395	9,470.00
WINTER BALANCE BLOCK	0	9,470.00

WINTER PEAK FIRST BLOCK	341378	0.0785	\$	26,788.17
WINTER PEAK NEXT BLOCK	0	0.0785	\$	-
WINTER PEAK NEXT BLOCK	0	0.0785	\$	-
WINTER BALANCE BLOCK	0	0.0785	\$	-
WINTER OFF PEAK ALL	247467	0.0553	\$	12,447.59
TOTAL			\$	62,839.38

CURRENT BILL

SERVICE CHARGE 0.0000

KW	RATE \$/KW	CHARGE \$
SUMMER FIRST 50 KW	50	7,000.00
SUMMER SECOND BLOCK	1472	7,000.00
SUMMER BALANCE BLOCK	0	7,000.00

SUMMER PEAK FIRST BLOCK	337058	0.0676	\$	22,785.12
SUMMER PEAK NEXT BLOCK	0	0.0676	\$	-
SUMMER PEAK NEXT BLOCK	0	0.0676	\$	-
SUMMER BALANCE BLOCK	0	0.0676	\$	-
SUMMER OFF PEAK ALL	239147	0.0394	\$	9,412.39
TOTAL			\$	42,098.49

INTERMEDIATE USE

INTERMEDIATE USE

- (A) DISTRIBUTION REVENUE
(B) CHOSEN REVENUE SHARES
(C) RE-RE-ALLOCATED REVENUE (A)/(B)
(D) RETAIL KW
(E) NUMBER OF CUSTOMERS
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)
(G) MONTHLY SERVICE CHARGE (C)/(E)/12

VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
0.40	0.600	\$ 323,347.37
\$ 108,832	\$ 255,170.13	\$ 323,347.37

108,832	0	\$ 0.0381	\$3,544.0285
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108,832	0	\$ 0.0381	\$3,544.0285
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108,832	0	\$ 0.0381	\$3,544.0285
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ENTER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK			0.0000

NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT

DISTRIBUTION DATE
APRIL 10, 2000

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DISTRIBUTION DATE
APRIL 10, 2000

				WINTER PEAK	750000	#DIV/0!	#DIV/0!		
				WINTER OFF PEAK	750000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					
CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK	3000	\$/KWH	0.0000 \$	COST OF POWER KW:					
SUMMER PEAK	750000		0.0000 \$	SUMMER PEAK	3000	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	750000		0.0000 \$	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
				COST OF POWER KWH:					
				SUMMER PEAK	750000	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	750000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					
LARGE USE									
(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE #DIV/0!						
(G) CHOSEN REVENUE SHOWN	0.40	0.800							
(C) RE-ALLOCATED REVENUE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!						
(C) RETAIL KW	0								
(E) NUMBER OF CUSTOMERS		0							
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!								
(G) MONTHLY SERVICE CHARGE (C)/(E)/2		#DIV/0!							
ENTER DESIRED CONSUMPTION LEVEL									
CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
WINTER PEAK			2.2900 \$	COST OF POWER KW:					
WINTER PEAK		\$/KWH	0.0000 \$	WINTER PEAK	#DIV/0!	#DIV/0!			
WINTER OFF PEAK			0.0000 \$	DISTRIBUTION KW	#DIV/0!	#DIV/0!			
				COST OF POWER KWH:					
				WINTER PEAK	#DIV/0!	#DIV/0!			
				WINTER OFF PEAK	#DIV/0!	#DIV/0!			
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					
CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK			1.6800 \$	COST OF POWER KW:					
SUMMER PEAK		\$/KWH	0.0000 \$	SUMMER PEAK	#DIV/0!	#DIV/0!			
SUMMER OFF PEAK			0.0000 \$	DISTRIBUTION KW	#DIV/0!	#DIV/0!			
				COST OF POWER KWH:					
				SUMMER PEAK	#DIV/0!	#DIV/0!			
				SUMMER OFF PEAK	#DIV/0!	#DIV/0!			
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					
MONTHLY CONSUMPTION 5000 KW, 0.5 MILL KWH									
CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
WINTER PEAK	5000		2.2900 \$	11450.00	COST OF POWER KW:				
WINTER PEAK	250000	\$/KWH	0.0000 \$	WINTER PEAK	5000	#DIV/0!	#DIV/0!		
WINTER OFF PEAK	250000		0.0000 \$	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!		
				COST OF POWER KWH:					
				WINTER PEAK	250000	#DIV/0!	#DIV/0!		
				WINTER OFF PEAK	250000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					
MONTHLY CONSUMPTION 5000 KW, 1 MILL KWH									
CURRENT BILL				NEW BILL					
	KW	RATE \$/KW	CHARGE \$		RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT	
SUMMER PEAK	5000		1.6800 \$	8400.00	COST OF POWER KW:				
SUMMER PEAK	250000	\$/KWH	0.0000 \$	SUMMER PEAK	5000	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	250000		0.0000 \$	DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!		
				COST OF POWER KWH:					
				SUMMER PEAK	250000	#DIV/0!	#DIV/0!		
				SUMMER OFF PEAK	250000	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE TOTAL		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL				\$					

DISTRIBUTION DATE
APRIL 10, 2000

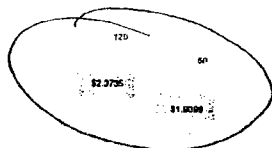
WINTER PEAK		5000	2.2500	\$	11,450.00						
WINTER PEAK		500,000	\$/KWH	0.0000	\$	-					
WINTER OFF PEAK		500,000	\$/KWH	0.0000	\$	-					
								5000	#DIV/0!	#DIV/0!	
								5000	#DIV/0!	#DIV/0!	
								500,000	#DIV/0!	#DIV/0!	
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								500,000	#DIV/0!	#DIV/0!	
								500,000	#DIV/0!	#DIV/0!	
								500,000	#DIV/0!	#DIV/0!	
								500,000	#DIV/0!	#DIV/0	

DISTRIBUTION DATE
APRIL 10, 2000

- (T) RETAIL KW
(E) NUMBER OF CONNECTIONS
(F) DISTRIBUTION KW RATE (\$/KW) (C)(D)
(G) MONTHLY SERVICE CHARGE (C)(E)(12)

SENTINEL LIGHTS (TIME OF USE)

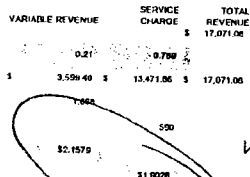
(A) DISTRIBUTION REVENUE	0.21	0.789	1.452.14
(B) CHOSEN REVENUE SHARES			
(C) RE-RE-ALLOCATED REVENUE (A)(B)	\$ 306.18	\$ 1,145.86	\$ 1,452.14
(D) RETAIL KW	0		
(E) NUMBER OF CONNECTIONS		50	
(F) DISTRIBUTION KW RATE (\$/KW) (C)(D)	\$2.3725		
(G) MONTHLY SERVICE CHARGE (C)(E)(12)		\$1,909.90	



per rate
order

STREET LIGHTING (NON TIME OF USE)

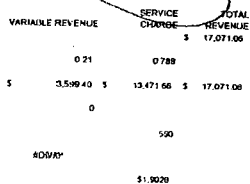
(A) DISTRIBUTION REVENUE	0.21	0.789	17,071.06
(B) CHOSEN REVENUE SHARES			
(C) RE-RE-ALLOCATED REVENUE (A)(B)	\$ 3,599.40	\$ 13,471.66	\$ 17,071.06
(D) RETAIL KW	0		
(E) NUMBER OF CONNECTIONS		500	
(F) DISTRIBUTION KW RATE (\$/KW) (C)(D)	\$2.1579		
(G) MONTHLY SERVICE CHARGE (C)(E)(12)		\$1,902.00	



per rate
order

STREET LIGHTING (TIME OF USE)

(A) DISTRIBUTION REVENUE	0.21	0.789	17,071.06
(B) CHOSEN REVENUE SHARES			
(C) RE-RE-ALLOCATED REVENUE (A)(B)	\$ 3,599.40	\$ 13,471.66	\$ 17,071.06
(D) RETAIL KW	0		
(E) NUMBER OF CONNECTIONS		500	
(F) DISTRIBUTION KW RATE (\$/KW) (C)(D)	\$2.1579		
(G) MONTHLY SERVICE CHARGE (C)(E)(12)		\$1,902.00	



NON-TIME OF USE	CURRENT BILL				NEW BILL				IMPACT DOLLARS	IMPACT
	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$			
ENTER DESIRED CONSUMPTION LEVEL	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH		0.1374	\$	-	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	16.90	
	BALANCE TOTAL		0.0833	\$	-	DISTRIBUTION KWH TOTAL	0.0061	\$	16.90	
				\$	-			\$	16.90	16.90
MONTHLY CONSUMPTION OF 250 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	17.54	
	BALANCE TOTAL	150	0.0833	\$	12.50	DISTRIBUTION KWH TOTAL	0.0061	\$	1.53	
				\$	26.24			\$	26.07	9.84 37.5%
MONTHLY CONSUMPTION OF 500 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	35.29	
	BALANCE TOTAL	400	0.0833	\$	33.32	DISTRIBUTION KWH TOTAL	0.0061	\$	16.90	
				\$	47.06			\$	3.08	8.19 17.4%
MONTHLY CONSUMPTION OF 750 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	52.90	
	BALANCE TOTAL	650	0.0833	\$	54.15	DISTRIBUTION KWH TOTAL	0.0061	\$	16.90	
				\$	67.89			\$	4.59	6.54 9.6%
MONTHLY CONSUMPTION OF 1000 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	70.58	
	BALANCE TOTAL	900	0.0833	\$	74.97	DISTRIBUTION KWH TOTAL	0.0061	\$	10.90	
				\$	88.71			\$	9.11	4.89 5.5%
MONTHLY CONSUMPTION OF 1500 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	105.87	
	BALANCE TOTAL	1400	0.0833	\$	116.82	DISTRIBUTION KWH TOTAL	0.0061	\$	16.90	
				\$	130.56			\$	9.17	1.58 1.2%
MONTHLY CONSUMPTION OF 2000 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	141.16	
	BALANCE TOTAL	1900	0.0833	\$	158.27	DISTRIBUTION KWH TOTAL	0.0061	\$	16.90	
				\$	172.01			\$	12.73	(1.72) -1.0%
MONTHLY CONSUMPTION OF 20000 KWH	SERVICE CHARGE		\$	-	COST OF POWER		\$	-		
	FIRST 100 KWH	100	0.1374	\$	13.74	MONTHLY DISTRIBUTION CHARGE	0.0706	\$	1411.69	
	BALANCE TOTAL	19900	0.0833	\$	1668.04	DISTRIBUTION KWH TOTAL	0.0061	\$	202.80	
				\$	1730.92			\$	122.27	5.74 0.3%

DISTRIBUTION DATE
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	KWH	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$		IMPACT DOLLARS	IMPACT
ANNUAL CONSUMPTION OF 30000 KWH										
SERVICE CHARGE										
FIRST 100 KWH	100	0.1374	13.74							
BALANCE	29900	0.0833	2,499.04							
TOTAL			2,512.78							
GENERAL SERVICE <50 KW										
(A) DISTRIBUTION REVENUE										
(B) CHOSEN REVENUE SHARES	0.400		0.600							
(C) RE-ALLOCATED REVENUE (A)/(B)										
(D) RETAIL KWH	0									
(E) NUMBER OF CUSTOMERS										
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)										
(G) MONTHLY SERVICE CHARGE (C)/(E)*12										
ENTER DESIRED CONSUMPTION LEVEL										
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SERVICE CHARGE										
1ST BLOCK 50 KW			6.2500							
2ND BLOCK BALANCE			0.0000							
1ST BLOCK 100 KWH			0.0780							
NEXT BLOCK 12400			0.0680							
NEXT BLOCK										
BALANCE			0.0680							
TOTAL										
MONTHLY CONSUMPTION 10 KW, 2000 KWH										
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SERVICE CHARGE										
1ST BLOCK 50 KW	10		6.2500							
2ND BLOCK BALANCE	0		0.0000							
1ST BLOCK 100 KWH	100		0.0780	7.80						
NEXT BLOCK 12400	1900		0.0680	129.20						
NEXT BLOCK										
BALANCE			0.0680							
TOTAL				137.00						
MONTHLY CONSUMPTION 30 KW, 3000 KWH										
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SERVICE CHARGE										
1ST BLOCK 50 KW	30		6.2500							
2ND BLOCK BALANCE	0		0.0000							
1ST BLOCK 100 KWH	100		0.0780	7.80						
NEXT BLOCK 12400	4900		0.0680	333.20						
NEXT BLOCK										
BALANCE			0.0680							
TOTAL				341.00						
GENERAL SERVICE NON TIME OF USE >50KW										
(A) DISTRIBUTION REVENUE										
(B) CHOSEN REVENUE SHARES	0.400		0.600							
(C) RE-ALLOCATED REVENUE (A)/(B)										
(D) RETAIL KWH	0									
(E) NUMBER OF CUSTOMERS										
(F) DISTRIBUTION KWH RATE (\$/KWH) (C)/(D)										
(G) MONTHLY SERVICE CHARGE (C)/(E)*12										
ENTER DESIRED CONSUMPTION LEVEL										
CURRENT BILL	KW	RATE \$/KW	CHARGE \$		NEW BILL	RATE \$/KW	CHARGE \$		IMPACT DOLLARS	IMPACT
SERVICE CHARGE										
1ST BLOCK 50 KW			6.2500							
2ND BLOCK BALANCE			0.0000							
1ST BLOCK 100 KWH			0.0780	7.80						
NEXT BLOCK 12400			0.0680	333.20						
NEXT BLOCK										
BALANCE			0.0680							
TOTAL				341.00						

DISTRIBUTION DATE
APRIL 10, 2000

TOTAL				TOTAL				#DIV0'	#DIV0'	#DIV0'
MONTHLY CONSUMPTION 100KW,20000KWH				MONTHLY CONSUMPTION 100KW,30000KWH						
CURRENT BILL				NEW BILL						

DISTRIBUTION DATE
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SUMMER PEAK	\$/KWH		SUMMER PEAK	0.0536 \$	
FIRST BLOCK			SUMMER OFF		
SUMMER PEAK	0.0614 \$		PEAK	0.0245 \$	
NEXT BLOCK	0.0614				
SUMMER PEAK			DISTRIBUTION		
NEXT BLOCK	0.0614 \$		KW	0.6208 \$	
SUMMER			MONTHLY		
BALANCE			SERVICE		
BLOCK	0.0614 \$		CHARGE		3465.0517
SUMMER OFF					
PEAK ALL	0.0332 \$				
TOTAL	\$		TOTAL	\$ 3,465.05	\$ 3,465.05 #DIV/0!

INTERMEDIATE USE

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.40	0.800	#DIV/0!
(C) RE-ALLOCATED REVENUE (A)/(B)	#DIV/0!	#DIV/0!	#DIV/0!
(D) RETAIL KW	0		
(E) NUMBER OF CUSTOMERS		0	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)*12		#DIV/0!	

CUSTOMER DESIRED CONSUMPTION LEVEL

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK			0.0000 \$					
		\$/KWH		COST OF POWER KW:				
WINTER PEAK			0.0000 \$	WINTER PEAK	#DIV/0!	#DIV/0!		
WINTER OFF								
PEAK			0.0000 \$	DISTRIBUTION KW	#DIV/0!	#DIV/0!		
				COST OF POWER KWH:				
				WINTER PEAK	#DIV/0!	#DIV/0!		
				WINTER OFF	#DIV/0!	#DIV/0!		
				PEAK	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE				
TOTAL			\$	TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK			0.0000 \$					
		\$/KWH		COST OF POWER KW:				
SUMMER PEAK			0.0000 \$	SUMMER PEAK	#DIV/0!	#DIV/0!		
SUMMER OFF				DISTRIBUTION KW	#DIV/0!	#DIV/0!		
PEAK			0.0000 \$	COST OF POWER KWH:				
				SUMMER PEAK	#DIV/0!	#DIV/0!		
				SUMMER OFF	#DIV/0!	#DIV/0!		
				PEAK	#DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE				
TOTAL			\$	TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 500,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000 \$					
		\$/KWH		COST OF POWER KW:				
WINTER PEAK			0.0000 \$	WINTER PEAK	3000 #DIV/0!	#DIV/0!		
WINTER OFF								
PEAK	250,000		0.0000 \$	DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
	250,000			COST OF POWER KWH:				
				WINTER PEAK	250000 #DIV/0!	#DIV/0!		
				WINTER OFF	250000 #DIV/0!	#DIV/0!		
				PEAK	250000 #DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE				
TOTAL			\$	TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
SUMMER PEAK	3000		0.0000 \$					
		\$/KWH		COST OF POWER KW:				
SUMMER PEAK			0.0000 \$	SUMMER PEAK	3000 #DIV/0!	#DIV/0!		
SUMMER OFF	250,000			DISTRIBUTION KW	3000 #DIV/0!	#DIV/0!		
PEAK	250,000		0.0000 \$	COST OF POWER KWH:				
				SUMMER PEAK	250000 #DIV/0!	#DIV/0!		
				SUMMER OFF	250000 #DIV/0!	#DIV/0!		
				PEAK	250000 #DIV/0!	#DIV/0!		
				MONTHLY DISTRIBUTION CHARGE				
TOTAL			\$	TOTAL	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000 KW, 800,000 KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$	NEW BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
WINTER PEAK	3000		0.0000 \$					
		\$/KWH		COST OF POWER KW:				
WINTER PEAK			0.0000 \$	WINTER PEAK	3000 #DIV/0!	#DIV/0!		
WINTER OFF								
PEAK	800,000		0.0000 \$					
	800,000							

DISTRIBUTION DATE
APRIL 10, 2000

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DISTRIBUTION DATE
APRIL 10, 2000

		\$/KW	\$	
SUMMER PEAK	6000	1.6000	\$	8,400.00
		\$/KWH		
SUMMER PEAK	750,000	0.0000	\$	-
SUMMER OFF PEAK	750,000	0.0000	\$	-
TOTAL			\$	8,400.00

MONTHLY CONSUMPTION 6000 KW, 1.5 MILL KWH

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
WINTER PEAK	5000	2.2800	\$ 11,450.00
		\$/KWH	
WINTER PEAK	750,000	0.0000	\$ -
WINTER OFF PEAK	750,000	0.0000	\$ -
TOTAL			\$ 11,450.00

		\$/KW	\$		DOLLARS
COST OF POWER KW:					
SUMMER PEAK DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!		
	5000	#DIV/0!	#DIV/0!		
		\$/KWH			
COST OF POWER KWH:					
SUMMER PEAK	750,000	#DIV/0!	#DIV/0!		
SUMMER OFF PEAK	750,000	#DIV/0!	#DIV/0!		
MONTHLY DISTRIBUTION CHARGE TOTAL			#DIV/0!	#DIV/0!	

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW:				
WINTER PEAK	5000	#DIV/0!	#DIV/0!	
DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
COST OF POWER KWH:				
WINTER PEAK	750,000	#DIV/0!	#DIV/0!	
WINTER OFF PEAK	750,000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE TOTAL			#DIV/0!	#DIV/0!

CURRENT BILL	KW	RATE \$/KW	CHARGE \$
SUMMER PEAK	5000	1.6000	\$ 8,400.00
		\$/KWH	
SUMMER PEAK	750,000	0.0000	\$ -
SUMMER OFF PEAK	750,000	0.0000	\$ -
TOTAL			\$ 8,400.00

UNBUNDLED BILL	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT
COST OF POWER KW:				
SUMMER PEAK DISTRIBUTION KW	5000	#DIV/0!	#DIV/0!	
	5000	#DIV/0!	#DIV/0!	
		\$/KWH		
COST OF POWER KWH:				
SUMMER PEAK	750,000	#DIV/0!	#DIV/0!	
SUMMER OFF PEAK	750,000	#DIV/0!	#DIV/0!	
MONTHLY DISTRIBUTION CHARGE TOTAL			#DIV/0!	#DIV/0!

SENTINEL LIGHTS (NON TIME OF USE)

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.21	0.789	1,419.78
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 299.36	\$ 1,120.42	\$ 1,419.78
(D) RETAIL KW	129		
(E) NUMBER OF CONNECTIONS		50	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.3206		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8674	

SENTINEL LIGHTS (TIME OF USE)

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.21	0.789	1,419.78
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 299.36	\$ 1,120.42	\$ 1,419.78
(D) RETAIL KW	0		
(E) NUMBER OF CONNECTIONS		50	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	#DIV/0!		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.8674	

STREET LIGHTING (NON TIME OF USE)

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.21	0.789	16,690.64
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 3,519.19	\$ 13,171.45	\$ 16,690.64
(D) RETAIL KW	1,898		
(E) NUMBER OF CONNECTIONS		590	
(F) DISTRIBUTION KW RATE (\$/KW) (C)/(D)	\$2.1096		
(G) MONTHLY SERVICE CHARGE (C)/(E)/12		\$1.9004	

STREET LIGHTING (TIME OF USE)

(A) DISTRIBUTION REVENUE	VARIABLE REVENUE	SERVICE CHARGE	TOTAL REVENUE
(B) CHOSEN REVENUE SHARES	0.21	0.789	16,690.64
(C) RE-ALLOCATED REVENUE (A)/(B)	\$ 3,519.19	\$ 13,171.45	\$ 16,690.64
(D) RETAIL KW	0		
(E) NUMBER OF CONNECTIONS		590	

DISTRIBUTION DATE
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(F) DISTRIBUTION MW RATE (\$/MWH) (C) (X) (C)
(G) MONTHLY SERVICE CHARGE (C) (M) (12)

#DRIVE

\$1.8604

DISTRIBUTION DATE
APRIL 10 2000

SHEET 15 - RATE SCHEDULE BEFORE MARKET ADJUSTED RATE OF RETURN

RATE SCHEDULE

DATE:

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
00-Jan-00
37676
Tim Curtis
0

EFFECTIVE DATE:

**DEFINITIONS: TIME PERIODS FOR TIME OF USE (EASTERN
STANDARD TIME)**

WINTER: ALL HOURS, OCTOBER 1 THROUGH MARCH 31
SUMMER: ALL HOURS, APRIL 1 THROUGH SEPTEMBER 30

PEAK: 0700 TO 2300 HOURS (LOCAL TIME) MONDAY TO FRIDAY, EXCEPT
FOR PUBLIC HOLIDAYS, INCLUDING NEW YEAR'S DAY, GOOD FRIDAY,
VICTORIA DAY, CANADA DAY, CIVIC HOLIDAY (AS IN TORONTO), LABOUR
DAY, THANKSGIVING DAY, CHRISTMAS AND BOXING DAY
OFF-PEAK: ALL OTHER HOURS

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0062
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.14
COST OF POWER KWH RATE	\$0.0706

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0062			
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.14			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.1211	\$0.0363	\$0.0937	\$0.0249

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0049
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$78.4888
COST OF POWER KWH RATE	\$0.0695

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0049			
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$78.4888			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.1105	\$0.0363	\$0.0911	\$0.0249

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.1778
MONTHLY SERVICE CHARGE	\$816.1770
COST OF POWER KW RATE	\$1.4931
COST OF POWER KWH RATE	\$0.0346

DISTRIBUTION DATE
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GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE

\$0.6327

MONTHLY SERVICE CHARGE (PER CUSTOMER)

\$3,514.1305

COST OF POWER TIME OF USE RATES

WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
\$9.6400	\$7.2160	\$0.0649	\$0.0357	\$0.0536	\$0.0245

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE

#DIV/0!

MONTHLY SERVICE CHARGE (PER CUSTOMER)

#DIV/0!

COST OF POWER TIME OF USE RATES

WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

DISTRIBUTION KW RATE

#DIV/0!

MONTHLY SERVICE CHARGE (PER CUSTOMER)

#DIV/0!

COST OF POWER TIME OF USE RATES

WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE

\$2.3535

MONTHLY SERVICE CHARGE (PER CONNECTION)

\$1.8938

COST OF POWER KW RATE

\$41.2433

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

#DIV/0!

MONTHLY SERVICE CHARGE (PER CONNECTION)

-\$6.9977

COST OF POWER TIME OF USE RATES

WINTER PEAK	SUMMER PEAK
\$/KW	\$/KW
#DIV/0!	#DIV/0!

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE

\$2.1397

MONTHLY SERVICE CHARGE (PER CONNECTION)

\$1.8867

COST OF POWER KW RATE

\$21.5819

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

#DIV/0!

MONTHLY SERVICE CHARGE (PER CONNECTION)

-\$4.0125

COST OF POWER TIME OF USE RATES

WINTER PEAK	SUMMER PEAK
\$/KW	\$/KW
#DIV/0!	#DIV/0!

MISCELLANEOUS CHARGES

PLEASE ADD ANY MISCELLANEOUS CHARGES BELOW.

1999

2000

DISTRIBUTION DATE
APRIL 10, 2000

SHEET 16 - RATE SCHEDULE WITH MARKET ADJUSTED RATE OF RETURN

RATE SCHEDULE

DATE:

NAME OF UTILITY
LICENCE NUMBER
DATE
VERSION NUMBER
NAME OF CONTACT
PHONE NUMBER

Eastern Ontario Power
0
24-Feb-03
Tim Curtis
0
0

EFFECTIVE DATE:

DEFINITIONS: TIME PERIODS FOR TIME OF USE (EASTERN STANDARD TIME)

WINTER: ALL HOURS, OCTOBER 1 THROUGH MARCH 31
SUMMER: ALL HOURS, APRIL 1 THROUGH SEPTEMBER 30

PEAK: 0700 TO 2300 HOURS (LOCAL TIME) MONDAY TO FRIDAY, EXCEPT FOR PUBLIC HOLIDAYS, INCLUDING NEW YEAR'S DAY, GOOD FRIDAY, VICTORIA DAY, CANADA DAY, CIVIC HOLIDAY (AS IN TORONTO), LABOUR DAY, THANKSGIVING DAY, CHRISTMAS AND BOXING DAY
OFF-PEAK: ALL OTHER HOURS

RESIDENTIAL

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
DISTRIBUTION KWH RATE	\$0.0063	\$0.0061
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.29	\$16.90
COST OF POWER KWH RATE	\$0.0706	\$0.0706

RESIDENTIAL (TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING		
DISTRIBUTION KWH RATE	\$0.0063	\$0.0061		
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$17.29	\$16.90		
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.1211	\$0.0363	\$0.0937	\$0.0249

GENERAL SERVICE < 50 KW

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
DISTRIBUTION KWH RATE	\$0.0050	#DIV/0!
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$79.16	#DIV/0!
COST OF POWER KWH RATE	\$0.0695	\$0.0695

GENERAL SERVICE < 50 KW (TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING		
DISTRIBUTION KWH RATE	\$0.0050	#DIV/0!		
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$79.16	#DIV/0!		
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.1105	\$0.0363	\$0.0911	\$0.0249

GENERAL SERVICE > 50 KW (NON TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
--	-------------------------------	-------------------------

DISTRIBUTION DATE
APRIL 10, 2000

DISTRIBUTION KW RATE	\$3.2048	#DIV/0!
MONTHLY SERVICE CHARGE	\$823.12	#DIV/0!
COST OF POWER KW RATE	\$1.4931	\$1.4931
COST OF POWER KWH RATE	\$0.0346	\$0.0346

GENERAL SERVICE > 50 KW (TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING				
DISTRIBUTION KW RATE	\$0.6381	\$0.6238				
MONTHLY SERVICE CHARGE (PER CUSTOMER)	\$3,544.03	\$3,465.05				
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.6400	\$7.2160	\$0.0649	\$0.0357	\$0.0536	\$0.0245

GENERAL SERVICE INTERMEDIATE USE

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING				
DISTRIBUTION KW RATE	#DIV/0!	#DIV/0!				
MONTHLY SERVICE CHARGE (PER CUSTOMER)	#DIV/0!	#DIV/0!				
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING				
DISTRIBUTION KW RATE	#DIV/0!	#DIV/0!				
MONTHLY SERVICE CHARGE (PER CUSTOMER)	#DIV/0!	#DIV/0!				
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

SENTINEL LIGHTS (NON TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
DISTRIBUTION KW RATE	\$2.3735	\$2.3206
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.91	\$1.87
COST OF POWER KW RATE	\$41.2433	\$41.2433

OR

SENTINEL LIGHTS (TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
DISTRIBUTION KW RATE	#DIV/0!	#DIV/0!
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.91	\$1.87
COST OF POWER TIME OF USE RATES (will be replaced with retail settlement code or Standard Service Supply when market opens)	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	#DIV/0!	#DIV/0!

STREET LIGHTING (NON TIME OF USE)

	PRIOR TO MARKET OPENING	AFTER MARKET OPENING
DISTRIBUTION KW RATE	\$2.1579	\$2.1098
MONTHLY SERVICE CHARGE (PER CONNECTION)	\$1.90	\$1.86

DISTRIBUTION DATE
APRIL 10, 2000

COST OF POWER KW RATE

\$21.5819

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (PER CONNECTION)

COST OF POWER TIME OF USE RATES

(will be replaced with retail settlement code or Standard Service Supply
when market opens)

PRIOR TO
MARKET
OPENING

AFTER MARKET
OPENING

#DIV/0!

#DIV/0!

\$1.90

\$1.86

WINTER PEAK
\$/KW

SUMMER PEAK
\$/KW

#DIV/0!

#DIV/0!

MISCELLANEOUS CHARGES

PLEASE ADD ANY MISCELLANEOUS CHARGES BELOW.

1999

2000

2004 APPROVED PILS MODEL

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name Eastern Ontario Power			
5				Amount
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	Jun-30
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			
23				3,157,217
24	Common Equity Ratio (CER)			
25				50.00%
26	1-CER			
27				50.00%
28	Target Return On Equity			
29				9.88%
30	Debt rate			
31				7.25%
32	Market Adjusted Revenue Requirement			
33				270,416
34	1999 return from RUD Sheet #7 less Late Payment Adjustments			
35				380,265
36	Total Incremental revenue			
37	Input Board-approved dollar amounts phased-in (generally prorated			-109,849
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			
40	Amount allowed in 2002, Year 2			-109,850
41	Amount allowed in 2003, Year 3			0
42				0
43	Equity			
44				1,578,609
45	Return at target ROE			
46				155,967
47	Debt			
48				1,578,609
49	Deemed interest amount in EBIT			
50				114,449
51	Phase-in of interest - Year 1			
52	$((D34+D39)/D32)*D49$			114,449
53	Phase-in of interest - Year 2			
54	$((D34+D39+D40)/D32)*D49$			114,449
55	Phase-in of interest - Year 3 (D49)			
56				114,449

A												
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	B	C	D	E	F	G	H	I	J	K	L
2	DEFERRAL/VARIANCE ACCOUNTS	LINE	Initial Estimate	Source	Deferral Account	Deferral Account	Deferral Account	Source	M of F Filing	M of F Filing	M of F Filing	Source
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance	Variance		Variance	Variance	Variance	
4	("Wires-only" business - see Tab TAXREC)				G-C				K-G		(June)	Foot-note
5			\$	#	\$		\$	#	\$		\$	#
6												
7	Utility Name: Eastern Ontario Power											
8												
9												
10												
11												
12	II) CORPORATE INCOME TAXES											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1	270,415	1A	-270,415			1B	0			0 1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions: To Accounting Income											
20	Depreciation & Amortization											
21	Federal Large Corporation Tax	2	138,070	2A	-138,070			2B	0			0 2C
22	Employee Benefit Plans - Accrued, Not Paid	3		3A	0			3B	0			0 3C
23	Change in Tax Reserves	4		4A	0			4B	0			0 4C
24	Regulatory Adjustments (transitional costs)	5		5A	0			5B	0			0 5C
25	Other Additions (See Tab entitled "TAXREC")	6		6A	0			6B	0			0 6C
26	"Material" Item #1	7		7A	0			7B	0			0 7C
27	"Material" Item #2	7		7A	0			7B	0			0 7C
28	Other Additions (not "Material")	7		7A	0			7B	0			0 7C
29	Deductions: From Accounting Income											
30	Capital Cost Allowance	8	-62,090	8A	-62,090			8B	0			0 8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	0			0 9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0			0 10C
33	Regulatory Adjustments	11		11A	0			11B	0			0 11C
34	Interest Expense Deemed/Incurred	12	-114,449	12A	114,449			12B	0			0 12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	0			0 13C
37	"Material" Item #2	13		13A	0			13B	0			0 13C
38	Other Deductions (not "Material")	13		13A	0			13B	0			0 13C
39												
40	REGULATORY TAXABLE INCOME		231,946		-231,946				0			0
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	34.1200%	14A	4.5000%			14B	0.0000%		38.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		79,140		-79,140				0			0
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	Total Regulatory Income Tax		79,140		-79,140				0			0
52												
53												
54												
55												

[illegible]

[illegible]

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name: Erie Thames Powerlines Corporation					
8	Reporting period: October 1, 2001 - December 31, 2001					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	0	0	0	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		0	0	0	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			0	0	0	
37	Other Additions: (From T2 S1)					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61					0	7C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	7C
82	Other Additions:				0	
83					0	7C
84	Total Other Additions		0	0	0	
85					0	7C
86	Total Additions		0	0	0	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred				0	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			0	0	0	
97	Other deductions: (From T2 S1)					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	Other deductions:				0	13C
131					0	
132					0	
133	<i>Total Other Deductions</i>		0	0	0	13C
134						
135	Total Deductions		0	0	0	
136						
137						
138	TAXABLE INCOME		0	0	0	
139						
140						
141						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock					
149	Retained earnings (if deficit, deduct)				0	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances				0	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and				0	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		0	0	0	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		0	0	0	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183					0	
184	Total Eligible Investments		0	0	0	
185						
186						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet				0	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	Total assets as adjusted		0	0	0	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1	1	2	
213						
214	Investment Allowance					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	Taxable Capital					
220						
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0	0	
223						
224	Taxable Capital		0	0	0	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital		0	0	0	16C
229						
230	Deduction from taxable capital up to \$5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		0	0	0	
240						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
241						
242						
243	LARGE CORPORATION TAX					
244						
245	CAPITAL					
246						
247	ADD:					
248	Reserves that have not been deducted in					0
249	computing income for the year under Part I					0
250	Capital stock					0
251	Retained earnings					0
252	Contributed surplus					0
253	Any other surpluses					0
254	Deferred unrealized foreign exchange gains					0
255	All loans and advances to the corporation					0
256	All indebtedness- bonds, debentures, notes,					0
257	mortgages, bankers acceptances, or similar					0
258	obligations					0
259	Any dividends declared but not paid					0
260	All other indebtedness outstanding for more					0
261	than 365 days					0
262						0
263	Subtotal		0	0	0	0
264						
265	DEDUCT:					
266	Deferred tax debit balance					0
267	Any deficit deducted in computing					0
268	shareholders' equity					0
269	Any patronage dividends 135(1) deducted in					0
270	computing income under Part I included in					0
271	amounts above					0
272	Deferred unrealized foreign exchange losses					0
273						0
274	Subtotal		0	0	0	0
275						
276	Capital for the year		0	0	0	0
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation					0
281	Loan or advance to another corporation					0
282	Bond, debenture, note, mortgage, or					0
283	similar obligation of another corporation					0
284	Long term debt of financial institution					0
285	Dividend receivable from another corporation					0
286	Debts of corporate partnerships that were not					0
287	exempt from tax under Part I.3					0
288	Interest in a partnership					0
289						0
290	Investment Allowance		0	0	0	0
291						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	Gross Part I.3 Tax LCT		0	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315						
316	Net Part I.3 Tax LCT Payable		0	0	0	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

2004 OEB DECISION

Ontario Energy
Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie
de l'Ontario
C.P. 2319
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2300, rue Yonge
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Téléphone: 416-481-1967
Télécopieur 416-440-7656
Numéro sans frais: 1-888-632-6273



February 6, 2004

BY PRIORITY POST

Mr. Timothy Curtis
Vice President, Finance and Chief Financial Officer
Eastern Ontario Power Inc.
1130 Bertie Street
P.O. Box 1218
Fort Erie, Ontario
L2A 5Y2

Dear Mr. Curtis:

Re: Board Decision with Reasons and Order - Eastern Ontario Power Inc. Rates
Board File No. RP-2003-0062/EB-2003-0083

The Ontario Energy Board has now issued the Board Decision and Order with respect to the above
Application [oeb:12XY8-0:1].

Yours truly,

Peter O'Dell
Assistant Secretary

cc: All Intervenors

Mr. S. Hawkes



RP-2003-0062

EB-2003-0083

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 Eastern
Ontario Power Inc. for an order or orders approving or fixing
just and reasonable rates.

BEFORE:

Paul Sommerville
Presiding Member

Arthur Birchenough
Member

DECISION WITH REASONS AND ORDER

Eastern Ontario Power Inc. ("EOP" or the "Applicant") filed an application dated April 16, 2003 with the Ontario Energy Board for an order or orders approving or fixing just and reasonable rates for the distribution of electricity. EOP is relying on the Minister's letter of February 3, 2003 as its compliance to section 79.6 of the *Ontario Energy Board Act*. The Board assigned File No. RP-2003-0062/EB-2003-0083 to this Application.

On May 15, 2003, EOP amended its application filed on April 16, 2003.

On May 23, 2003, the Board declared the rates and charges proposed by EOP in its amended May 15th application in effect as of April 1, 2003 on an interim basis, subject to adjustment in the final rate order on the application (RP-2003-0062/EB-2003-0114).

On May 28, 2003, the Board issued a Letter of Direction to EOP containing a Notice of Application that was to be published in newspapers and served on interested parties. The last date for intervention was June 25, 2003 (14 days after the publication date of June 11).

The following nine parties intervened:

-	Baldree's Your Independent Grocer, Mr. Scott Baldree;	13
-	Best Western Country Squire Resort, Mr. Roger Gollogly and Ms. Susan Gollogly;	14
-	Collins and Aikman Plastics ("Collins and Aikman"), Mr. John Clare;	15
-	Town of Gananoque (the "Town"), Mayor Sylvia Thomas, Counsel: Mr. J. Mark Rodger and Ms. Christine E. Long, Borden Ladner Gervais LLP;	16
-	Gananoque Boat Lines, Mr. Hal McCarney;	17
-	Graphic Controls Canada Ltd., Mr. Steve Wilson;	0 18
-	Granite Power Corporation, Mr. John Campbell, Counsel: Mr. David Brown, Stikeman Elliott;	19
-	Mahle Brockhaus Inc. ("Mahle"), Mr. Daryl Beckenhaur;	20
-	Multi-Laser Inc., Mr. Brian Cosgrove.	21
	On July 17, 2003, the Board issued Procedural Order Number 1 establishing dates for interrogatories to EOP (August 1, 2003), EOP's responses (August 14, 2003), intervenor evidence (August 25, 2003), interrogatories to intervenors (September 4, 2003) and intervenors' responses (September 12, 2003).	22
	On July 30, 2003, Board staff sent EOP a list of interrogatories.	23
	On July 31, 2003 Collins and Aikman sent the Board a list of interrogatories. The letter indicated that copies were sent to EOP, but apparently this was not done. On September 5, 2003, Board staff provided a copy of the interrogatories to EOP.	24
	On August 1, 2003 counsel for the Town sent EOP a list of interrogatories. On that day, the Board also received a letter of concern from Mahle.	25
	On August 14, 2003, counsel for EOP provided responses to Board staff and the Town interrogatories. A number of responses were not complete and EOP stated that it "will provide them to the Board as soon as possible". On September 3, 2003 counsel for EOP provided the outstanding responses to the Board staff and the Town interrogatories.	26

On September 2, 2003, EOP further amended its application in respect of the General Service <50 kW Class. On September 10, 2003 EOP provided corrected comparison charts for the proposed change in rates. 27

On September 4, 2003, Board staff sent the Town a list of interrogatories and counsel for EOP sent the Town an interrogatory. 28

On September 8, 2003, counsel for EOP provided responses to the Collins and Aikman interrogatories. 29

On September 9, 2003, the Board issued Procedural Order Number 2 making certain amendments to the dates established in Procedural Order Number 1 for evidence from intervenors (September 15, 2003), interrogatories on intervenor evidence (September 19, 2003) and responses (September 25, 2003). Procedural Order Number 2 also established a Settlement Conference on September 22, 2003. 30

On September 12, 2003, Mahle sent the Board, EOP and other intervenors a package of material. 31

On September 22, 2003 a Settlement Conference was held in Toronto. On December 10, 2003, the Board received and approved a Settlement Proposal from the applicant and the Town. This proposal settled all the issues between the Town and EOP on the rates proceeding. The Proposal required EOP to make a one-time credit of \$40.00 on certain customers' bills. Paragraph 8 of the proposal requested that the Board make it a condition of any order granting a distribution licence to EOP that EOP is prohibited from seeking to recover the amount of the credit from customers. In its oral decision approving the Proposal, the hearing panel indicated that it could not bind another panel of the Board, and therefore would not be imposing the condition requested. However, at the panel's request, Mr. T. Curtis undertook on behalf of EOP and its successors that no recovery of these amounts would be sought. The Board then required that should EOP or its successors ever seek to recover the amount of the credit, that the transcript undertaking of Mr. Curtis be filed with the Board. The Board mentions the matter in this rates decision, as a reminder to the applicant and any future rates panel of the Board. 32

On December 12, 2003, the Board issued Procedural Order Number 3 outlining the process (a written hearing) and timetable (final submissions from intervenors on or before December 23, 2003 and response by EOP on or before January 8, 2004) for the completion of the rates proceeding. 33

By letter dated December 19, 2003, Mahle made a submission to the Board, to which EOP responded by letter dated January 8, 2004. No other intervenor made a submission as a result of Procedural Order Number 3. In its submission, Mahle identified the following three issues; i) monthly service charge, ii) totalizing the demand and iii) capital expenditure for the pole line. These issues are addressed in the Board's Findings. 34

EOP has elected to use the maximum allowable Target Rate of Return on Common Equity of 9.88%. The resulting incremental revenue sought by the applicant was \$ 16,393, being two-thirds of the 35

amount calculated by EOP that would be required to achieve the Target Rate of Return on Common Equity, exclusive of Payment in Lieu of Taxes. The Board notes that the applicant acknowledged the fact that it had incorrectly calculated the amount of the incremental revenue. Calculated correctly would result in an additional incremental distribution revenue that could be sought of \$17,718. The applicant stated "So as not to confuse the hearing process, EOP did not adjust the rates it was applying for to reflect this change."

The amended application stated that for a residential customer consuming 1,000 kWh per month, the total bill would decrease by 10.2%. For a general service customer with a demand of 10 kW and consuming 2,000 kWh per month, the increase in their total bill would be 1.8%. Due to rate restructuring, individual customer bill impacts may be higher or lower depending on a customer's electricity load and consumption.

Copies of the application, including the evidence filed in this proceeding, are available for review at the Board's offices.

Board Findings

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

The Board finds that EOP's election of a 9.88% Target Rate of Return on Common Equity, and its plan for mitigation of the impact of that election on customers, are in conformity with the *Electricity Distribution Rate Handbook* and the RP-2000-0069 Decision, and are acceptable.

The applicant also proposed to change the current 5% late payment charge to a 1.5% compounded monthly rate charged on outstanding balance overdue. The Board finds that the proposed change is reasonable.

On September 2, 2003, EOP further amended its application for the rates to be charged its General Service <50 kW Class customers. This revised application changed the ratio of the revenue received from the Monthly Service Charge as compared to the volumetric kWh rate (the fixed/variable split) from 0.789/0.211 to 0.35/0.65, while maintaining revenue recovery from the class. As a result of this amendment, for a customer with a demand of 10 kW and consuming 2,000 kWh per month, the bill impact changed from an increase of 1.8% to a decrease of 8.6%. Because the Board's Interim Rate Order of May 23, 2003 was not changed to reflect this revised amendment, EOP has not billed customers in this class on these changed rates. Because this change ameliorates bill impacts, the Board finds that the rates proposed in the revised application are reasonable.

The Board is satisfied that there are no significant deviations from the *Electricity Distribution Rate Handbook*.

Mahle's Issues

Mahle is the largest industrial operation in the Town of Gananoque and EOP's largest consumer. Mahle has two accounts with EOP. One is supplied at 26kV from the distribution system in the Town. In 2001, because that system could not supply the additional load requested by Mahle, EOP's predecessor, Granite Power Distribution Corporation ("Granite Power"), required Mahle to build a separate 44kV supply from Hydro One facilities, which is considered as a point of supply for the distributor.

45

Issue 1 - Monthly Service Charge

46

Mahle asked the Board to consider why the proposed service charge seemed to be excessive when compared to other systems. Mahle stated that EOP had provided an explanation as to the determination of the ratio of revenue received between the monthly service charge and the variable rate (the fixed/variable split) as being the same as that determined for the residential class. This approach reflected the default procedure established in the Board's Rate Unbundling and Design Model.

47

In its reply on this issue, EOP acknowledged that while the level of the Monthly Service Charge may be one of the highest in analogous systems, the volumetric rate was one of the lowest. EOP stated that the distribution charge must be looked at in aggregate and not just one component in isolation. In addition, it cited the rates charged by Hydro Ottawa for a similar size of customer to Mahle as being comparable to its proposed rates.

48

The Board agrees with EOP that the distribution charge must be looked at in aggregate and not just one component in isolation. Having reviewed the rates of those other distributors that have "General Service TOU" rates in place and the aggregate distribution charge borne by Mahle, the Board concludes that the rates proposed by EOP are reasonable.

49

It appears to the Board that the underlying reason for the issue is the fact that Mahle has two accounts and therefore is subject to two monthly service charges.

50

Issue 2 - Totalizing the Demand

51

Mahle stated that they were told at a meeting with staff from Granite Power on February 8, 2001 that the demand associated with the two services could be aggregated, provided the rates were identical. Mahle understood this to mean that it would be treated as one account and therefore be subject to only one service charge. Mahle asked the Board to instruct EOP to follow-up on Granite Power's investigation into combining the demand of the two services.

52

Mahle stated that EOP had suggested that, at Mahle's cost, it could consolidate its services by installing a 44/26 kV transformer and converting its 26 kV service to 44 kV. Mahle stated that it cannot afford this solution.

53

Absent this approach, EOP stated that it was "unable to comply with this request as the distribution charges have been calculated on a per connection basis."

54

The Board notes that the determination of the rates was based on data for the time period from July 1, 1999 to June 30, 2000, prior to the installation of the 44kV service. The data included customer accounts and loads present on the system at that time. One of the inherent weaknesses of using historical data is the fact that material aspects of the situation can change. For example, the Board understands that the load of the then second largest consumer has dropped significantly and Mahle's second service has come on line. It is expected that on average the pluses and minuses balance out and the current total system load is more or less equal to the "snapshot" level that was used as the basis for the rate determination. This is the methodology that has been used for all other distributors and the Board is of the opinion that a deviation from that practice should not be made in this case. If the two accounts were to be combined into one, the monthly service charge would have to be recalculated, to the disadvantage of the other customers in the class. As a result, the Board will not instruct EOP to follow-up on Granite Power's investigation into combining the demand of the two services as a condition of this Rate Order.

55

Issue 3 - Capital Expenditure for the Pole Line

56

Mahle stated that in April 2000 when it approached Granite Power requesting additional capacity, Granite Power required it to provide a 100% capital contribution of over \$340,000 for a 44 kV service from Hydro One's system. Because of the need to meet production deadlines, Mahle stated that it reluctantly agreed to the requirement, but continued discussions with Granite Power regarding, among other things, an economic evaluation for the line as set out in the Board's Distribution Service Code (the "DSC"). Mahle has asked the Board to instruct EOP to conduct an economic evaluation according to the DSC to determine if the revenue from this service will pay for the capital cost and ongoing maintenance cost. It also stated that during construction of the line, Granite Power billed it for work that should not be considered part of the work in supplying power. Mahle has requested an itemized breakdown of cost, but has not yet received such a breakdown. Mahle also acknowledged that this issue "may have to be considered outside the rate application being reviewed at this time."

57

In its reply, EOP acknowledged that there were a significant number of issues between Mahle and Granite Power and that the file is "quite extensive". It stated that it "hopes it can work with MB on a go forward basis in a manner such that the relationship between the two companies improves".

58

The Board notes that the construction activity was undertaken after June 30, 2000 and therefore the capital contribution made by Mahle for the line should not be in the rate base upon which the rates are determined. In response to a Board interrogatory, EOP confirmed that it was "not aware of any contributed capital included in the "wires only" rate base after December 31, 1999." As the new facility has not been included in EOP's rate base, the Board finds that this issue has no bearing on the determination of the distribution rates. The Board is encouraged by EOP's desire to improve the relationship with Mahle on a going forward basis. If Mahle's concerns with respect to the construction activity cannot be satisfied through discussions with EOP, Mahle can file a written complaint with the Board seeking a determination on EOP's compliance with the DSC.

59

In conclusion, the Board finds that the rates applied for are just and reasonable.

60

The Board notes that all intervenors with the exception of Granite Power Corporation made submissions with respect to the recovery of costs associated with this proceeding as part of their original interventions. In a letter dated July 4, 2003, the applicant provided the Board with its position on cost award eligibility. With respect to the individual companies that intervened, the applicant submitted that "none of these intervenors provided any particulars as to meeting the eligibility criteria". In addition, the applicant submitted "that none of these intervenors is eligible because they are private corporations representing their own interests and do not meet any of the ... criteria in section 3.03" of the Board's Practice Direction on Cost Awards, dated February 2003.

61

As outlined in section 3.02 of the Board's Practice Direction on Cost Awards, the burden of establishing eligibility for a cost award is on the party applying for the cost award. Section 3.03 outlines the three conditions of eligibility for a party to apply for a cost award. Either the party must primarily represent the direct interests of consumers in relation to regulated services, or the party must primarily represent a public interest relevant to the Board's mandate, or the party is a person with an interest in land that is affected by the proceeding.

62

As part of the aforementioned Settlement Proposal between the applicant and the Town, the parties stated that they had reached an agreement with respect to costs. Granite Power Corporation did not make a claim for costs. Each of the other intervenors is a private corporation, which intervened to protect its own interests in the application. The Board has determined that as these intervenors are private corporations that do not primarily represent either the direct interests of consumers or a public interest, they are ineligible for a cost award.

63

THE BOARD ORDERS THAT:

64

1. The rates declared interim by the Board on May 23, 2003 as amended by the applicant on September 2, 2003 with respect to the General Service <50 kW class and as set out in Appendix "A" of this Order, are hereby approved as final rates effective from April 1, 2003.
2. The bills for the customers in the General Service <50 kW class since April 1, 2003 shall be recalculated based on the approved rates as set out in Appendix "A" of this Order and their accounts adjusted accordingly.
3. The Board's costs of, and incidental to, this proceeding shall be paid by the applicant upon receipt of the Board's invoice.

65

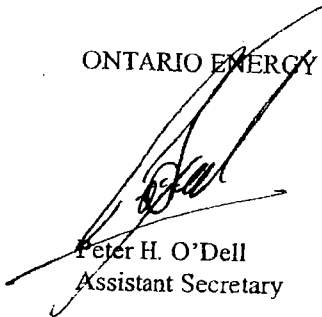
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67

ISSUED at Toronto, February 6, 2004.

68

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Secretary

APPENDIX A

69

Board Decision with Reasons and Order No. RP-2003-0062/EB-2003-0083
Dated: February 6, 2004
Documents unavailable electronically. Documents in Public Records only.

**Eastern Ontario Power Inc.
Schedule of Monthly Rates and Charges
Effective April 1, 2003**

**RP-2003-0062
EB-2003-0083**

Residential

Monthly Service Charge	(per month)	\$17.29
Distribution Volumetric Rate	(per kWh)	\$ 0.0063

General Service (Less than 50 kW)

Monthly Service Charge	(per month)	\$35.11
Distribution Volumetric Rate	(per kWh)	\$ 0.0153

General Service (Greater than 50 kW) Non Time of Use

Monthly Service Charge	(per month)	\$823.12
Distribution Volumetric Rate	(per kW)	\$ 3.20

General Service (Greater than 50 kW) Time of Use

Monthly Service Charge	(per month)	\$3,544.03
Distribution Volumetric Rate	(per kW)	\$ 0.64

Sentinel Lighting

Monthly Service Charge	(per connection)	\$ 1.91
Distribution Volumetric Rate	(per kW)	\$ 2.37

Street Lighting

Monthly Service Charge	(per connection)	\$ 1.90
Distribution Volumetric Rate	(per kW)	\$ 2.16

Transformer

Losses: - where service is metered at 4,160 volts or 26,400 volts (nominal),
the consumption and billing demand shall be reduced by 1%.

Allowance for Ownership: (per kW or kVA of billing demand) \$ 0.60

**Eastern Ontario Power Inc.
Schedule of Monthly Rates and Charges
Effective April 1, 2003**

**RP-2003-0062
EB-2003-0083**

Specific Service Charges

Customer Administration

Change of Occupancy

Dispute Meter Test Agent's Fee

\$ 8.80

\$ 5.00

Non-Payment of Account

Late payment Charge (per month; per annum)

1.5%; 19.56%

Returned Cheque Charge - Actual Bank Charges plus

\$ 8.50

Collection

\$ 8.80

Reconnection

\$17.60

**Eastern Ontario Power Inc.
Schedule of Monthly Rates and Charges
Other Regulated Rates
Loss Factors
Effective April 1, 2003**

**RP-2003-0062
EB-2003-0083**

Supply Facilities Loss Factor (a) 1.0045

Distribution Loss Factors

Secondary metered customers

- Customer less than 5,000 kW (b) 1.0650
- Customer greater than 5,000 kW (c) 1.0100

Primary metered customers

- Customer less than 5,000 kW (d) 1.0544
- Customer greater than 5,000 kW (e) 1.0000

Total Loss Factors

Secondary metered customers

- Customer less than 5,000 kW (a) x (b) 1.0698
- Customer greater than 5,000 kW (a) x (c) 1.0145

Primary metered customers

- Customer less than 5,000 kW (a) x (d) 1.0591
- Customer greater than 5,000 kW (a) x (e) 1.0045

**Eastern Ontario Power Inc.
Schedule of Monthly Rates and Charges
Other Regulated Rates
Retail Transmission Rates
Effective April 1, 2003**

**RP-2003-0062
EB-2003-0083**

Billing Determinants:

For an energy-only metered customer, the billing determinant is the customer's metered energy consumption adjusted by the Total Loss Factor as approved by the Board and set out in this Schedule.

For a demand customer without an interval meter, the billing determinant for both the Network Service Rate and the Line and Transformation Connection Service Rate is the customer's peak demand at any time of the month.

For an interval metered customer, the network rate will apply to an individual end-use customer's non-coincident peak demand in the month during the peak period defined as between 7 AM and 7 PM (local time) on weekdays that are not statutory holidays. The billing determinant for the Line and Transformation Connection Service Rate is the customer's peak demand at any time of the month.

Residential

Network Service Rate	(per kWh)	\$0.0057
Line and Transformation Connection Service Rate	(per kWh)	\$0.0050

General Service - Less than 50 kW

Network Service Rate	(per kWh)	\$0.0052
Line and Transformation Connection Service Rate	(per kWh)	\$0.0045

General Service - Greater than 50 kW with no interval meter

Network Service Rate	(per kW)	\$2.1218
Line and Transformation Connection Service Rate	(per kW)	\$1.7882

**Eastern Ontario Power Inc.
Schedule of Monthly Rates and Charges
Other Regulated Rates
Retail Transmission Rates
Effective April 1, 2003**

**RP-2003-0062
EB-2003-0083**

General Service - Greater than 50 kW TOU

Network Service Rate	(per kW)	\$2.2535
Line and Transformation Connection Service Rate	(per kW)	\$1.9603

General Service - With an interval meter

Network Service Rate	(per kW)	\$2.2508
Line and Transformation Connection Service Rate	(per kW)	\$1.9763

Intermediate Use

Network Service Rate	(per kW)	\$2.3730
Line and Transformation Connection Service Rate	(per kW)	\$2.1090

Large Use - With an interval meter

Network Service Rate	(per kW)	\$2.4952
Line and Transformation Connection Service Rate	(per kW)	\$2.2417

Sentinel Lighting

Network Service Rate	(per kW)	\$1.6083
Line and Transformation Connection Service Rate	(per kW)	\$1.4113

Street Lighting

Network Service Rate	(per kW)	\$1.6002
Line and Transformation Connection Service Rate	(per kW)	\$1.3824

MAY 2003 – APRIL 2006 PILS RECOVERIES

2002 Rate Year

Effective Date
Conclusion Date

May. 1, 2003
Apr. 30, 2006

Rate Class	PILS Rate Adders	
	Fixed	Variable
Residential	\$ 1.1946	\$ 0.0004
General Service < 50 kW	\$ 2.4268	\$ 0.0011
General Service > 50 kW - Non TOU	\$ 56.8873	\$ 0.2217
General Service > 50 kW - TOU	\$ 244.9338	\$ 0.0441
Sentinel Lights	\$ 0.1320	\$ 0.1642
Street Lights	\$ 0.1315	\$ 0.1493

Customer Counts

Rate Class	2003									
	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Residential	3,010	3,010	3,024	3,037	3,051	3,057	3,058	3,066	3,072	3,073
General Service < 50 kW	442	442	436	430	424	427	428	431	431	434
General Service > 50 kW - Non TOU	52	58	43	33	30	29	29	29	29	30
General Service > 50 kW - TOU	6	6	6	6	6	6	6	6	6	6
Sentinel Lights	58	58	58	58	58	58	58	58	58	58
Street Lights	566	566	566	566	566	566	566	566	566	566

Billing Determinants

Rate Class	2003									
	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Residential	2,179,899	2,142,181	2,382,372	2,427,619	2,174,930	2,332,448	2,262,250	2,404,503	2,951,786	2,621,645
General Service < 50 kW	1,052,273	1,034,066	1,150,010	1,171,851	1,049,875	1,125,911	1,092,025	1,160,693	1,446,128	1,284,387
General Service > 50 kW - Non TOU	2,356	2,270	2,641	2,449	2,526	2,566	2,609	2,855	3,309	2,959
General Service > 50 kW - TOU	5,351	5,156	5,998	5,563	5,737	5,829	5,927	6,484	7,516	6,721
Sentinel Lights	8	8	9	9	9	9	9	10	11	10
Street Lights	26	25	29	27	27	28	28	31	34	30

Calculated PILS Revenue

Rate Class	2003									
	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Residential	2,269	4,522	4,643	4,678	4,586	4,661	4,632	4,703	4,947	4,805
General Service < 50 kW	1,093	2,167	2,276	2,284	2,140	2,228	2,195	2,275	2,577	2,413
General Service > 50 kW - Non TOU	1,740	3,803	3,032	2,420	2,267	2,219	2,228	2,283	2,383	2,363
General Service > 50 kW - TOU	853	1,697	1,734	1,715	1,723	1,727	1,731	1,756	1,801	1,766
Sentinel Lights	5	9	9	9	9	9	9	9	9	9
Street Lights	39	78	79	78	79	79	79	79	79	79
Total	5,999	12,277	11,772	11,185	10,803	10,922	10,874	11,104	11,797	11,435

2004										2005									
Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	
3,072	3,079	3,081	3,087	3,095	3,097	3,108	3,113	3,117	3,124	3,124	3,124	3,125	3,125	3127	3131	3133	3069	3072	
431	438	440	442	445	447	447	449	453	453	453	453	454	454	455	455	457	398	398	
29	29	29	29	30	30	30	30	32	32	32	32	33	33	33	33	33	29	29	
6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	
566	566	566	566	566	566	566	566	566	566	566	566	566	566	566	566	566	566	566	

2004										2005									
Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	
2,553,163	2,553,163	2,123,346	2,170,372	2,336,320	2,192,306	2,008,872	2,247,601	2,286,609	2,520,250	3,021,162	2,518,287	2,643,582	2,190,319	2,164,064	2,433,624	2,534,882	2,740,850	2,401,182	
1,250,836	1,250,836	1,040,262	1,063,301	1,144,601	1,074,046	984,179	1,101,136	1,120,247	1,234,712	1,438,865	1,199,365	1,259,038	1,043,166	1,030,662	1,159,043	1,207,268	1,305,363	1,143,592	
2,719	2,666	2,528	2,436	2,833	2,459	2,406	2,709	2,866	3,115	4,025	3,717	3,723	3,153	2,861	3,564	3,543	3,611	3,365	
6,175	6,055	5,742	5,533	6,435	5,585	5,464	6,154	6,510	7,074	7,243	6,689	6,700	5,675	5,148	6,414	6,376	6,499	6,056	
9	9	8	8	9	8	8	9	9	10	20	19	19	16	14	18	18	18	17	
28	27	26	25	29	25	25	28	29	32	158	146	147	124	113	140	140	142	133	

2004										2005									
Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	
4,774	4,783	4,599	4,627	4,708	4,648	4,582	4,691	4,713	4,822	5,039	4,821	4,877	4,681	4,672	4,793	4,839	4,852	4,708	
2,370	2,387	2,169	2,198	2,292	2,222	2,127	2,255	2,285	2,407	2,623	2,369	2,435	2,206	2,195	2,331	2,387	2,348	2,177	
2,252	2,241	2,210	2,190	2,335	2,252	2,240	2,307	2,456	2,511	2,713	2,644	2,703	2,576	2,511	2,667	2,663	2,450	2,396	
1,742	1,737	1,723	1,714	1,754	1,716	1,711	1,741	1,757	1,782	1,789	1,765	1,765	1,720	1,697	1,753	1,751	1,756	1,737	
9	9	9	9	9	9	9	9	9	9	11	11	11	10	10	11	11	11	10	
79	78	78	78	79	78	78	79	79	79	98	96	96	93	91	95	95	96	94	
11,227	11,235	10,789	10,816	11,176	10,925	10,746	11,083	11,299	11,610	12,272	11,707	11,886	11,286	11,177	11,650	11,746	11,513	11,122	

			2006				
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
3079	3094	3097	3095	3096	3095	3092	3097
400	404	405	406	406	412	408	416
29	29	29	29	29	29	29	29
6	6	6	6	6	6	6	6
58	58	58	58	58	58	58	58
566	566	566	566	566	566	566	566

			2006				
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
2,215,872	2,211,014	2,513,617	2,714,637	2,687,094	2,766,176	2,245,567	2,638,141
1,055,336	1,053,022	1,197,141	1,299,631	1,286,445	1,324,305	1,075,064	1,195,972
3,041	3,200	3,582	3,264	3,408	3,243	2,858	7,663
5,473	5,759	6,446	3,349	3,497	3,328	2,932	3,666
15	16	18	19	20	19	17	28
120	126	141	142	148	141	124	136

			2006				
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
4,637	4,653	4,787	4,872	4,861	4,894	4,665	2,420
2,088	2,095	2,250	2,361	2,347	2,402	2,128	1,138
2,324	2,359	2,444	2,373	2,405	2,369	2,283	1,674
1,711	1,724	1,754	1,617	1,624	1,616	1,599	816
10	10	11	11	11	11	10	6
92	93	95	96	97	95	93	47
10,862	10,934	11,341	11,330	11,345	11,387	10,779	6,102

PILS ENTITLEMENT SUMMARY

EASTERN ONTARIO POWER

PILS Entitlement						
Year	Amount	Effective	Start Date	Effective	End Date	Monthly Amount
2003	\$ 134,316		April 1, 2003		Dec. 31, 2003	\$ 11,193
2004	\$ 134,316		January 1, 2004		December 31, 2004	\$ 11,193
2005	\$ 134,316		January 1, 2005		Apr. 30, 2006	\$ 11,193

2003 Entitlement / 12 months

2004 Entitlement / 12 months

2005 Entitlement / 12 months

DETERMINATION OF PILS SLIVERS

Eastern Ontario Power Derivation of PILS Rate Slivers

<u>Customer Class</u>	<u>Distribution Revenue</u>	<u>Percent</u>	<u>PILS</u>	<u>Approved Rates Split</u>		<u>PILS Dollars</u>		<u>Rate Determinants</u>		<u>PILS Rate Adders</u>	
				<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>
Residential	784,753	0.407303741	54,707.52	0.789	0.211	43,164.24	11,543.29	3,011	26,687,700	1.1946	0.0004
GS<50	529,921	0.27504067	36,942.44	0.35	0.65	12,929.85	24,012.59	444	22,680,641	2.4268	0.0011
GS>50 non TOU	273,041	0.141714231	19,034.53	0.789	0.211	15,018.24	4,016.29	22	18,117	56.8873	0.2217
GS>50 TOU	320,619	0.166408514	22,351.37	0.789	0.211	17,635.23	4,716.14	6	106,852	244.9338	0.0441
Street Light	16,927	0.008785509	1,180.04	0.789	0.211	931.05	248.99	590	1,668	0.1315	0.1493
Sentinel Light	1,440	0.000747334	100.38	0.789	0.211	79.20	21.18	50	129	0.1320	0.1642

1,926,701 1 **134,316.28**

89,757.81 44,558.47

per Doug Bradbury SS

*from
RUD Model*

PILS Approved 134,316.28

PORT COLBORNE REPORT

Port Colborne Report

Application for Disposition

Port Colborne is applying to disposition a credit balance (owed to customers) of \$258,123 as per the attached continuity schedule (see Exhibit 4, Tab 1, Schedule 2).

Allocation to Customer Classes

Port Colborne has used this 2013 Cost of Service (CoS) rate application's associated Distribution Revenue Requirement by customer class to allocate the 1562 Deferred PILS credit balance. A summary is provided below.

Rate Class	2013 Proposed DRR	Allocation %	Allocated 1562 Disposition Value (including interest to Dec 31, 2012)
Residential	\$ 3,447,955	57.37%	(148,086)
General Service < 50 kW	\$ 793,217	13.20%	(34,068)
General Service > 50 kW	\$ 1,613,981	26.85%	(69,319)
Sentinel Lights	\$ 2,816	0.05%	(121)
Street Lights	\$ 129,007	2.15%	(5,541)
Unmetered Scattered Load	\$ 23,035	0.38%	(989)
Total	\$ 6,010,011	100.00%	(258,123)

Rate Riders

Port Colborne is also using the variable billing determinants from this 2013 CoS rate application to determine the 1562 recovery rate riders. Port Colborne is applying to refund these amounts over a two year period. Please see rate rider calculations below.

Rate Class	Allocated 1562 Value	Recovery Period (years)	Annual Recovery Amount	2013 Proposed Billing Determinant (kWh / kW)	Proposed Rate Rider
Residential	(148,086)	2	(74,043)	64,161,933	(0.00115) per kWh
General Service < 50 kW	(34,068)	2	(17,034)	23,558,821	(0.00072) per kWh
General Service > 50 kW	(69,319)	2	(34,659)	311,664	(0.11121) per kW
Sentinel Lights	(121)	2	(60)	40	(1.51180) per kW
Street Lights	(5,541)	2	(2,770)	4,119	(0.67258) per kW
Unmetered Scattered Load	(989)	2	(495)	581,815	(0.00085) per kWh
Total	(258,123)	2	(129,062)		

Methodology

PILS Entitlement

The PILS entitlements utilized in the continuity schedule are based on approved PILS amounts included in approved distribution rates which are set out in Exhibit 4, Tab 4, Schedule 4 and duplicated in the table below.

Year	PILS Entitlement Amount	Effective Start Date	Effective End Date	Monthly Amount	Comments
Q4 2001	\$ 128,498.00	Oct. 1, 2001	Dec. 31, 2001	\$ 42,832.67	Q4 2001 Entitlement / 3 months
2002	\$ 510,389.00	Jan. 1, 2002	Dec. 31, 2002	\$ 42,532.42	2002 Entitlement / 12 months
2003	\$ 638,887.00	Jan. 1, 2003	Dec. 31, 2003	\$ 53,240.58	(Q4 2001 + 2002 Entitlements) / 12 months
2004	\$ 638,887.00	Jan. 1, 2004	March 31, 2004	\$ 53,240.58	(Q4 2001 + 2002 Entitlements) / 12 months
2004	\$ 510,389.00	April 1, 2004	March 31, 2005	\$ 42,532.42	2004 Entitlement / 12 months
2005	\$ 299,527.00	April 1, 2005	Apr. 30, 2006	\$ 24,960.58	2005 Entitlement / 12 months

PILS Recoveries

The PILS recoveries utilized in the continuity schedule are derived from billing determinants and Board approved PILS rate slivers, as per the methodology used by the applicants in the combined proceeding.

March 1, 2002 to February 29, 2004 (Exhibit 4, Tab 4, Schedule 1)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the combination of variable rate slivers found in Sheet 6 (Q4 2001 PILS) and Sheet 8 (2002 PILS) of the approved 2002 RAM model. (Exhibit 4, Tab 3, Schedule 1)

Fixed Charge PILS recoveries are determined by multiplying the number of customers billed in the month by the combination of fixed rate slivers found in Sheet 6 (Q4 2001 PILS) and Sheet 8 (2002 PILS) of the approved 2002 RAM model. (Exhibit 4, Tab 3, Schedule 1)

March 1, 2004 to February 28, 2005 (Exhibit 4, Tab 4, Schedule 2)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the variable rate slivers found in Sheet 7 of the approved 2004 RAM model (Exhibit 4, Tab 3, Schedule 3)

There were no Fixed Charge PILS recoveries in the 2004 rate year.

March 1, 2005 to April 30, 2006 (Exhibit 4, Tab 4, Schedule 3)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the variable rate slivers found in Sheet 4 of the 2005 approved RAM Model. (Exhibit 4, Tab 3, Schedule 5)

There were no Fixed Charge PILS recoveries in the 2005 rate year.

Unbilled Revenue

Port Colborne has utilized a 50% / 50% split of the rate change months billing determinants (kWh's, kW's and customers billed) to reasonably estimate the appropriate PILS recoveries from the transition months billings at both old and new rates.

1 In addition, Port Colborne has utilized the same 50% / 50% rule for the starting month
2 (March 2002) and ending month (April 2006), again to reasonably estimate the PILS
3 recoveries from customer consumptions.

4
5 The 50% / 50% unbilled split is based on evenly distributed billing cycles over the month.
6 Billing cycles at the beginning of the month have little or no consumption at new rates,
7 whereas billing cycles at the end of the month have the majority of the consumption at new
8 rates. On average there is a 50% / 50% consumption split. Port Colborne utilized monthly
9 billing cycles.

11 **SIMPILS True-Up**

12 The PILS amounts approved in rates (Initial Estimate) have been compared to the allocated
13 share of CNPI's tax return using maximum true-up tax rates as approved in the combined
14 proceeding. Schedule 1 adjustments to taxable have been categorized under the TAXREC,
15 TAXREC2, and TAXREC3 tabs of the SIMPILS models.

17 **Interest Improvement**

18 Interest improvement has been determined using OEB approved prescribed interest rates.
19 Interest carrying charges have been determined using month opening balances with no
20 interest compounding as per OEB requirements. The Q2 2012 rate has been used as a
21 proxy to determine interest carrying charges for the balance of 2012.

PORT COLBORNE MONTHLY CONTINUITY SCHEDULE WITH INTEREST IMPROVEMENT

Canadian Niagara Power - Port Colbourne

1562 Deferred PILS - Continuity Schedule

Year: **Q4 2001**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
October	\$ 42,832.67	\$ -		\$ 42,832.67	\$ 42,832.67	7.25%	\$ -	\$ -	\$ 42,832.67
November	\$ 42,832.67	\$ -		\$ 42,832.67	\$ 85,665.33	7.25%	\$ 258.78	\$ 258.78	\$ 85,924.11
December	\$ 42,832.67	\$ -		\$ 42,832.67	\$ 128,498.00	7.25%	\$ 517.56	\$ 776.34	\$ 129,274.34
Total	\$ 128,498.00	\$ -	\$ -	\$ 128,498.00			\$ 776.34		

Year: **2002**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 42,532.42	\$ -		\$ 42,532.42	\$ 171,030.42	7.25%	\$ 776.34	\$ 1,552.68	\$ 172,583.10
February	\$ 42,532.42	\$ -		\$ 42,532.42	\$ 213,562.83	7.25%	\$ 1,033.31	\$ 2,585.99	\$ 216,148.83
March	\$ 42,532.42	\$ 25,369.88		\$ 17,162.54	\$ 230,725.37	7.25%	\$ 1,290.28	\$ 3,876.27	\$ 234,601.64
April	\$ 42,532.42	\$ 51,940.86		\$ 9,408.44	\$ 221,316.93	7.25%	\$ 1,393.97	\$ 5,270.23	\$ 226,587.17
May	\$ 42,532.42	\$ 53,659.18		\$ 11,126.77	\$ 210,190.17	7.25%	\$ 1,337.12	\$ 6,607.36	\$ 216,797.52
June	\$ 42,532.42	\$ 56,064.13		\$ 13,531.72	\$ 196,658.45	7.25%	\$ 1,269.90	\$ 7,877.26	\$ 204,535.70
July	\$ 42,532.42	\$ 60,128.99	\$ 12,368.00	\$ 29,964.57	\$ 166,693.88	7.25%	\$ 1,188.14	\$ 9,065.40	\$ 175,759.28
August	\$ 42,532.42	\$ 58,842.20		\$ 16,309.79	\$ 150,384.09	7.25%	\$ 1,007.11	\$ 10,072.51	\$ 160,456.60
September	\$ 42,532.42	\$ 53,874.68		\$ 11,342.26	\$ 139,041.83	7.25%	\$ 908.57	\$ 10,981.08	\$ 150,022.91
October	\$ 42,532.42	\$ 51,398.21		\$ 8,865.80	\$ 130,176.04	7.25%	\$ 840.04	\$ 11,821.12	\$ 141,997.16
November	\$ 42,532.42	\$ 53,480.85		\$ 10,948.43	\$ 119,227.61	7.25%	\$ 786.48	\$ 12,607.61	\$ 131,835.21
December	\$ 42,532.42	\$ 51,427.78		\$ 8,895.37	\$ 110,332.24	7.25%	\$ 720.33	\$ 13,327.94	\$ 123,660.18
Total	\$ 510,389.00	\$ 516,186.76	\$ 12,368.00	\$ 18,165.76			\$ 12,551.60		

Year: **2003**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 53,240.58	\$ 56,904.77		\$ 3,664.19	\$ 106,668.06	7.25%	\$ 666.59	\$ 13,994.53	\$ 120,662.58
February	\$ 53,240.58	\$ 56,048.35		\$ 2,807.76	\$ 103,860.29	7.25%	\$ 644.45	\$ 14,638.98	\$ 118,499.28
March	\$ 53,240.58	\$ 55,722.00		\$ 2,481.41	\$ 101,378.88	7.25%	\$ 627.49	\$ 15,266.47	\$ 116,645.35
April	\$ 53,240.58	\$ 56,661.93		\$ 3,421.35	\$ 97,957.53	7.25%	\$ 612.50	\$ 15,878.97	\$ 113,836.50
May	\$ 53,240.58	\$ 46,079.01		\$ 7,161.57	\$ 105,119.10	7.25%	\$ 591.83	\$ 16,470.80	\$ 121,589.90
June	\$ 53,240.58	\$ 53,231.98		\$ 8.61	\$ 105,127.71	7.25%	\$ 635.09	\$ 17,105.89	\$ 122,233.60
July	\$ 53,240.58	\$ 59,405.32	\$ 93,986.00	\$ 100,150.74	\$ 4,976.97	7.25%	\$ 635.15	\$ 17,741.04	\$ 22,718.01
August	\$ 53,240.58	\$ 58,726.14		\$ 5,485.55	\$ 508.58	7.25%	\$ 30.07	\$ 17,771.11	\$ 17,262.52
September	\$ 53,240.58	\$ 56,572.07		\$ 3,331.49	\$ 3,840.07	7.25%	\$ 3.07	\$ 17,768.03	\$ 13,927.96
October	\$ 53,240.58	\$ 55,646.17		\$ 2,405.58	\$ 6,245.66	7.25%	\$ 23.20	\$ 17,744.83	\$ 11,499.18
November	\$ 53,240.58	\$ 55,088.28		\$ 1,847.69	\$ 8,093.35	7.25%	\$ 37.73	\$ 17,707.10	\$ 9,613.75
December	\$ 53,240.58	\$ 55,834.56		\$ 2,593.98	\$ 10,687.33	7.25%	\$ 48.90	\$ 17,658.20	\$ 6,970.87
Total	\$ 638,887.00	\$ 665,920.57	\$ 93,986.00	\$ 121,019.57			\$ 4,330.26		

Year: **2004**

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 53,240.58	\$ 57,707.35		\$ 4,466.76	\$ 15,154.09	7.25%	\$ 64.57	\$ 17,593.63	\$ 2,439.54
February	\$ 53,240.58	\$ 53,786.06		\$ 545.48	\$ 15,699.57	7.25%	\$ 91.56	\$ 17,502.08	\$ 1,802.50
March	\$ 53,240.58	\$ 45,970.29		\$ 7,270.29	\$ 8,429.28	7.25%	\$ 94.85	\$ 17,407.22	\$ 8,977.95
April	\$ 42,532.42	\$ 35,474.87		\$ 7,057.54	\$ 1,371.73	7.25%	\$ 50.93	\$ 17,356.30	\$ 15,984.56
May	\$ 42,532.42	\$ 36,348.80		\$ 6,183.62	\$ 4,811.88	7.25%	\$ 8.29	\$ 17,348.01	\$ 22,159.89
June	\$ 42,532.42	\$ 39,909.63		\$ 2,622.78	\$ 7,434.67	7.25%	\$ 29.07	\$ 17,377.08	\$ 24,811.75
July	\$ 42,532.42	\$ 43,123.94	\$ 95,413.00	\$ 96,004.53	\$ 88,569.86	7.25%	\$ 44.92	\$ 17,422.00	\$ 71,147.86
August	\$ 42,532.42	\$ 42,220.11		\$ 312.31	\$ 88,257.55	7.25%	\$ 535.11	\$ 16,886.89	\$ 71,370.66
September	\$ 42,532.42	\$ 42,119.22		\$ 413.19	\$ 87,844.36	7.25%	\$ 533.22	\$ 16,353.67	\$ 71,490.69
October	\$ 42,532.42	\$ 38,551.15		\$ 3,981.27	\$ 83,863.09	7.25%	\$ 530.73	\$ 15,822.94	\$ 68,040.15
November	\$ 42,532.42	\$ 40,550.24		\$ 1,982.18	\$ 81,880.91	7.25%	\$ 506.67	\$ 15,316.27	\$ 66,564.64
December	\$ 42,532.42	\$ 43,901.54		\$ 1,369.12	\$ 83,250.04	7.25%	\$ 494.70	\$ 14,821.57	\$ 68,428.47
Total	\$ 542,513.50	\$ 519,663.21	\$ 95,413.00	\$ 72,562.71			\$ 2,836.63		

Canadian Niagara Power - Port Colbourne

1562 Deferred PILS - Continuity Schedule

Year: 2005

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 42,532.42	\$ 49,894.69		-\$ 7,362.27	-\$ 90,612.31	7.25%	-\$ 502.97	\$ 14,318.60	-\$ 76,293.71
February	\$ 42,532.42	\$ 46,303.47		-\$ 3,771.05	-\$ 94,383.36	7.25%	-\$ 547.45	\$ 13,771.15	-\$ 80,612.21
March	\$ 42,532.42	\$ 37,237.68		\$ 5,294.73	-\$ 89,088.62	7.25%	-\$ 570.23	\$ 13,200.92	-\$ 75,887.70
April	\$ 24,960.58	\$ 24,711.25		\$ 249.33	-\$ 88,839.29	7.25%	-\$ 538.24	\$ 12,662.68	-\$ 76,176.62
May	\$ 24,960.58	\$ 23,896.88		\$ 1,063.71	-\$ 87,775.58	7.25%	-\$ 536.74	\$ 12,125.94	-\$ 75,649.65
June	\$ 24,960.58	\$ 27,955.73		-\$ 2,995.14	-\$ 90,770.73	7.25%	-\$ 530.31	\$ 11,595.63	-\$ 79,175.10
July	\$ 24,960.58	\$ 32,233.51	-\$ 141,462.00	-\$ 148,734.93	-\$ 239,505.66	7.25%	-\$ 548.41	\$ 11,047.22	-\$ 228,458.44
August	\$ 24,960.58	\$ 31,951.52		-\$ 6,990.94	-\$ 246,496.59	7.25%	-\$ 1,447.01	\$ 9,600.21	-\$ 236,896.39
September	\$ 24,960.58	\$ 27,633.56		-\$ 2,672.97	-\$ 249,169.57	7.25%	-\$ 1,489.25	\$ 8,110.96	-\$ 241,058.61
October	\$ 24,960.58	\$ 25,401.66		-\$ 441.07	-\$ 249,610.64	7.25%	-\$ 1,505.40	\$ 6,605.56	-\$ 243,005.08
November	\$ 24,960.58	\$ 26,482.68		-\$ 1,522.09	-\$ 251,132.73	7.25%	-\$ 1,508.06	\$ 5,097.49	-\$ 246,035.24
December	\$ 24,960.58	\$ 29,272.30		-\$ 4,311.71	-\$ 255,444.45	7.25%	-\$ 1,517.26	\$ 3,580.23	-\$ 251,864.21
Total	\$ 352,242.50	\$ 382,974.91	-\$ 141,462.00	-\$ 172,194.41			-\$ 11,241.34		

Year: 2006

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	\$ 24,960.58	\$ 27,813.03		-\$ 2,852.44	-\$ 258,296.89	7.25%	-\$ 1,543.31	\$ 2,036.92	-\$ 256,259.97
February	\$ 24,960.58	\$ 27,501.61		-\$ 2,541.03	-\$ 260,837.92	7.25%	-\$ 1,560.54	\$ 476.38	-\$ 260,361.54
March	\$ 24,960.58	\$ 27,887.68		-\$ 2,927.10	-\$ 263,765.02	7.25%	-\$ 1,575.90	-\$ 1,099.52	-\$ 264,864.54
April	\$ 24,960.58	\$ 23,209.53		\$ 1,751.05	-\$ 262,013.97	7.25%	-\$ 1,593.58	-\$ 2,693.10	-\$ 264,707.06
May	\$ 24,960.58	\$ 12,106.44		-\$ 12,106.44	-\$ 274,120.40	4.14%	-\$ 903.95	-\$ 3,597.04	-\$ 277,717.45
June				\$ -	-\$ 274,120.40	4.14%	-\$ 945.72	-\$ 4,542.76	-\$ 278,663.16
July			\$ 55,469.00	\$ 55,469.00	-\$ 218,651.40	4.59%	-\$ 1,048.51	-\$ 5,591.27	-\$ 224,242.67
August				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 6,427.61	-\$ 225,079.02
September				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 7,263.95	-\$ 225,915.36
October				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 8,100.30	-\$ 226,751.70
November				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 8,936.64	-\$ 227,588.04
December				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 9,772.98	-\$ 228,424.38
Total	\$ 99,842.33	\$ 118,518.29	\$ 55,469.00	\$ 36,793.04			-\$ 13,353.21		

Year: 2007

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 10,609.32	-\$ 229,260.72
February				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 11,445.66	-\$ 230,097.07
March				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 12,282.00	-\$ 230,933.41
April				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 13,118.35	-\$ 231,769.75
May				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 13,954.69	-\$ 232,606.09
June				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 14,791.03	-\$ 233,442.43
July				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 15,627.37	-\$ 234,278.77
August				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 16,463.71	-\$ 235,115.12
September				\$ -	-\$ 218,651.40	4.59%	-\$ 836.34	-\$ 17,300.05	-\$ 235,951.46
October				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 18,236.61	-\$ 236,888.01
November				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 19,173.17	-\$ 237,824.57
December				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 20,109.72	-\$ 238,761.13
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 10,336.75		

Year: 2008

	Approved PILS		SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			Total Variance
	Entitlement	PILS Revenue		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 21,046.28	-\$ 239,697.68
February				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 21,982.84	-\$ 240,634.24
March				\$ -	-\$ 218,651.40	5.14%	-\$ 936.56	-\$ 22,919.39	-\$ 241,570.80
April				\$ -	-\$ 218,651.40	4.08%	-\$ 743.41	-\$ 23,662.81	-\$ 242,314.21
May				\$ -	-\$ 218,651.40	4.08%	-\$ 743.41	-\$ 24,406.22	-\$ 243,057.63
June				\$ -	-\$ 218,651.40	4.08%	-\$ 743.41	-\$ 25,149.64	-\$ 243,801.04
July				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 25,760.04	-\$ 244,411.44
August				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 26,370.44	-\$ 245,021.85
September				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 26,980.84	-\$ 245,632.25
October				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 27,591.25	-\$ 246,242.65
November				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 28,201.65	-\$ 246,853.05
December				\$ -	-\$ 218,651.40	3.35%	-\$ 610.40	-\$ 28,812.05	-\$ 247,463.45
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 8,702.33		

Canadian Niagara Power - Port Colbourne

1562 Deferred PILS - Continuity Schedule

Year: 2009

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 218,651.40	2.45%	-\$ 446.41	-\$ 29,258.46	-\$ 247,909.87
February				\$ -	-\$ 218,651.40	2.45%	-\$ 446.41	-\$ 29,704.88	-\$ 248,356.28
March				\$ -	-\$ 218,651.40	2.45%	-\$ 446.41	-\$ 30,151.29	-\$ 248,802.69
April				\$ -	-\$ 218,651.40	1.00%	-\$ 182.21	-\$ 30,333.50	-\$ 248,984.90
May				\$ -	-\$ 218,651.40	1.00%	-\$ 182.21	-\$ 30,515.71	-\$ 249,167.11
June				\$ -	-\$ 218,651.40	1.00%	-\$ 182.21	-\$ 30,697.92	-\$ 249,349.32
July				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 30,798.13	-\$ 249,449.54
August				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 30,898.35	-\$ 249,549.75
September				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 30,998.56	-\$ 249,649.97
October				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,098.78	-\$ 249,750.18
November				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,198.99	-\$ 249,850.40
December				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,299.21	-\$ 249,950.61
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 2,487.16		

Year: 2010

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,399.42	-\$ 250,050.83
February				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,499.64	-\$ 250,151.04
March				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,599.86	-\$ 250,251.26
April				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,700.07	-\$ 250,351.47
May				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,800.29	-\$ 250,451.69
June				\$ -	-\$ 218,651.40	0.55%	-\$ 100.22	-\$ 31,900.50	-\$ 250,551.90
July				\$ -	-\$ 218,651.40	0.89%	-\$ 162.17	-\$ 32,062.67	-\$ 250,714.07
August				\$ -	-\$ 218,651.40	0.89%	-\$ 162.17	-\$ 32,224.83	-\$ 250,876.24
September				\$ -	-\$ 218,651.40	0.89%	-\$ 162.17	-\$ 32,387.00	-\$ 251,038.40
October				\$ -	-\$ 218,651.40	1.20%	-\$ 218.65	-\$ 32,605.65	-\$ 251,257.05
November				\$ -	-\$ 218,651.40	1.20%	-\$ 218.65	-\$ 32,824.30	-\$ 251,475.71
December				\$ -	-\$ 218,651.40	1.20%	-\$ 218.65	-\$ 33,042.95	-\$ 251,694.36
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 1,743.74		

Year: 2011

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 33,310.80	-\$ 251,962.21
February				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 33,578.65	-\$ 252,230.05
March				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 33,846.50	-\$ 252,497.90
April				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 34,114.35	-\$ 252,765.75
May				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 34,382.19	-\$ 253,033.60
June				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 34,650.04	-\$ 253,301.45
July				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 34,917.89	-\$ 253,569.29
August				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 35,185.74	-\$ 253,837.14
September				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 35,453.59	-\$ 254,104.99
October				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 35,721.43	-\$ 254,372.84
November				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 35,989.28	-\$ 254,640.69
December				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 36,257.13	-\$ 254,908.53
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 3,214.18		

Year: 2012

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable)		Interest Improvement (neg = payable)			
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 36,524.98	-\$ 255,176.38
February				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 36,792.83	-\$ 255,444.23
March				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 37,060.67	-\$ 255,712.08
April				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 37,328.52	-\$ 255,979.93
May				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 37,596.37	-\$ 256,247.77
June				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 37,864.22	-\$ 256,515.62
July				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 38,132.07	-\$ 256,783.47
August				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 38,399.91	-\$ 257,051.32
September				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 38,667.76	-\$ 257,319.17
October				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 38,935.61	-\$ 257,587.01
November				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 39,203.46	-\$ 257,854.86
December				\$ -	-\$ 218,651.40	1.47%	-\$ 267.85	-\$ 39,471.31	-\$ 258,122.71
Total	\$ -	\$ -	\$ -	\$ -	\$ -		-\$ 3,214.18		

2001 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"				Version 2004.2
2	REGULATORY INFORMATION (REGINFO)				RRR # 2.1.8
3	Utility Name: CNPI - Port Colborne				
4	Reporting period: Dec. 31, 2001				
5					
6	Days in reporting period:	92	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	MARR NO TAX CALCULATIONS				Regulatory Income
27	SHEET #7 FINAL RUD MODEL DATA				
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,728,080	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			918,860	
42					
43	1999 return from RUD Sheet #7			441,219	441,219
44					
45	Total Incremental revenue			477,641	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			159,214	159,214
48	Amount allowed in 2002			159,214	159,214
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					0
52					0
53	Total Regulatory Income				759,647
54					
55	Equity			5,364,040	
56					
57	Return at target ROE			529,967	
58					
59	Debt			5,364,040	
60					
61	Deemed interest amount in 100% of MARR			388,893	
62					
63	Phase-in of interest - Year 1 (2001)			254,124	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			321,509	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			321,509	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPL"	ITEM	Initial Estimate						M of F Filing Variance K-C	M of F Filing Variance	M of F Filing (June)	
2	DEFERENTIAL/VARIANCE ACCOUNTS											
3	TAX CALCULATIONS (TAXCALC)											
4	("Wires-only" business - see Tab TAXREC)											
5	RRR # 2.1.8										Version 2004.2	
6			\$						\$		\$	
7	Utility Name: CNPI - Port Colborne											
8	Reporting period: Dec. 31, 2001											Column Brought From TAXREC
9	Days in reporting period:	92	days									
10	Total days in the calendar year:	365	days									
11												
12												
13	II) CORPORATE INCOME TAXES											
14												
15	Regulatory Net Income REGINFO E53	1	189,912						-333,247		-143,335	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions:											
20	Depreciation & Amortization	2	138,654						543		139,197	
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	34,676						-34,676		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6							37,777		37,777	
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												
31	Deductions: Input positive numbers											
32	Capital Cost Allowance and CEC	7	87,335						104,057		191,392	
33	Employee Benefit Plans - Paid Amounts	8							0		0	
34	Items Capitalized for Regulatory Purposes	9							0		0	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10							0		0	
36	Interest Expense Deemed/ Incurred	11	80,377						-41,097		39,280	
37	Tax reserves - end of year	4							0		0	
38	Reserves from financial statements - beginning of year	4							0		0	
39	Contributions to deferred income plans	3							0		0	
40	Contributions to pension plans	3							28,425		28,425	
41	Interest capitalized for accounting but deducted for tax	11							0		0	
42	Other Deductions (See Tab entitled "TAXREC")											
43	"Material" Items from "TAXREC" worksheet	12							0		0	
44	Other Deductions (not "Material") "TAXREC"	12							0		0	
45	"Material" Items from "TAXREC 2" worksheet	12							0		0	
46	Other Deductions (not "Material") "TAXREC 2"	12							0		0	
47												
48	TAXABLE INCOME/ (LOSS)		195,530						(238,217)		(225,458)	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%						0.0000%		38.62%	
52												
53	REGULATORY INCOME TAX		75,514						-75,514	Actual	0	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	Total Regulatory Income Tax		75,514						-75,514	Actual	0	
59												
60												
61	III) CAPITAL TAXES											
62												
63	Ontario											
64	Base	15	10,728,080						3,380,135		14,108,215	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						0		5,000,000	
66	Taxable Capital		5,728,080						3,380,135		9,108,215	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		17,184						-10,297		6,887	
71												
72	Federal Large Corporations Tax											
73	Base	18	10,728,080						3,380,135		14,108,215	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						0		10,000,000	
75	Taxable Capital		728,080						3,380,135		4,108,215	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						0.0000%		0.2250%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		1,638						592		2,230	
80	Less: Federal Surtax 1.12% x Taxable Income	21	2,190						-2,190		0	
81												
82	Net LCT		-552						-1,598		2,230	
83												
84	III) INCLUSION IN RATES											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		38.62%									
87												
88	Income Tax (proxy tax is grossed-up)	22	124,202							Actual 2004	0	
89	LCT (proxy tax is grossed-up)	23	0							Actual 2004	2,330	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	4,296							Actual 2004	6,887	
91												
92												
93	Total PILs for Rate Adjustment - MUST AGREE WITH 2002 RAM DECISION	25	128,498							Actual 2004	9,217	
94												
95												
96												
97	IV) FUTURE TRUE-UPS											
98	IV a) Calculation of the True-up Variance								DR/(CR)			
99	In Additions:											
100	Employee Benefit Plans - Accrued, Not Paid	3							0			
101	Tax reserves deducted in prior year	4							0			
102	Reserves from financial statements-end of year	4							0			
103	Regulatory Adjustments	5							-34,676			
104	Other additions "Material" Items TAXREC	6							37,777			
105	Other additions "Material" Items TAXREC 2	6							0			
106	In Deductions - positive numbers											
107	Employee Benefit Plans - Paid Amounts	8							0			
108	Items Capitalized for Regulatory Purposes	9							0			
109	Regulatory Adjustments	10							0			
110	Interest Adjustment for tax purposes (See Below - cell I204)	11							0			
111	Tax reserves claimed in current year	4							0			
112	Reserves from F/S beginning of year	4							0			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							28,425			
115	Other deductions "Material" Items TAXREC	12							0			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26							-25,324			
119												
120	Income Tax Rate (excluding surtax) from 2004 Utility's tax return							x	40.62%			
121												
122	Income Tax Effect on True-up adjustments							=	-10,287			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								-10,287			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
129												
130	TRUE-UP VARIANCE ADJUSTMENT								(16,458)			

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILS TAX GROSS-UP "SIMPLI"	ITEM	Initial Estimate						M of F Filing Variance K-C	M of F Filing Variance Explanation	M of F Filing (June)	
2	DEFERRAL/VARIANCE ACCOUNTS											
3	TAX CALCULATIONS (TAXCALC)											
4	("Wires-only" business - see TAB TAXREC)											
5	RRR # 2.1.8											Version 2004.2
6			\$						\$		\$	
131	IV b) Calculation of the Deferral Account Variance caused by changes in legislation											
132												
133	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	195,530			
135												
136	REVISED CORPORATE INCOME TAX RATE				x				40.62%			
137								=	79,424			
138	REVISED REGULATORY INCOME TAX											
139	Less: Revised Miscellaneous Tax Credits				-				1,436			
141	Total Revised Regulatory Income Tax							=	77,988			
142												
143	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				-				75,514			
144								=	2,475			
145	Regulatory Income Tax Variance											
147	Ontario Capital Tax											
148	Base							=	10,728,080			
149	Less: Exemption from tab Tax Rates, Table 2, cell C39				-				5,000,000			
150	Revised deemed taxable capital							=	5,728,080			
151												
152	Rate - Tab Tax Rates cell C54				x				0.3000%			
153												
154	Revised Ontario Capital Tax							=	17,184			
155	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				-				17,184			
156	Regulatory Ontario Capital Tax Variance							=	0			
157												
158	Federal LCT											
159	Base								10,728,080			
160	Less: Exemption from tab Tax Rates, Table 2, cell C40				-				10,000,000			
161	Revised Federal LCT							=	728,080			
162												
163	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2250%			
164												
165	Gross Amount								1,638			
166	Less: Federal surtax				-				2,190			
167	Revised Net LCT							=	(552)			
168												
169	Less: Federal LCT reported in the initial estimate column (Cell C82)				-				(552)			
170	Regulatory Federal LCT Variance							=	0			
171												
172	Actual Income Tax Rate used for gross-up (exclude surtax)								39.50%			
173												
174	Income Tax (grossed-up)				+				4,090			
175	LCT (grossed-up)				+				0			
176	Ontario Capital Tax				+				0			
177												
178	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT							=	4,090			
179												
180	TRUE-UP VARIANCE (from cell I130)				+				(16,458)			
181												
182	Total Deferral Account Entry (Positive Entry = Debit)							=	(12,368)			
183	(Deferral Account Variance + True-up Variance)											
184												
185												
186												
187	V) INTEREST PORTION OF TRUE-UP											
188	Variance Caused By Phase-in of Deemed Debt											
189												
190	Total deemed interest (REGINFO)								388,893			
191	Interest phased-in (Cell C36)								80,377			
192												
193	Variance due to phase-in of debt component of MARR in rates according to the Board's decision								308,516			
194												
195	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)											
196	Interest deducted on MoF filing (Cell K36+K41)								39,280			
197	Total deemed interest (REGINFO CELL D61)								388,893			
198												
199	Variance caused by excess debt								0			
200												
201	Interest Adjustment for Tax Purposes (carry forward to Cell I110)								0			
202												
203	Total Interest Variance								308,516			
204												
205												
206												
207												

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
6	Section A: Identification:					
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: Dec. 31, 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	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				
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	3,763,296		3,763,296	
32	Distribution Revenue	+			0	
33	Other Income	+	87,391		87,391	
34	Miscellaneous income	+	-212,812		-212,812	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	3,243,279		3,243,279	
40	Administration	-	217,845		217,845	
41	Customer billing and collecting	-	71,978		71,978	
42	Operations and maintenance	-	108,911		108,911	
43	Amortization	-	139,197		139,197	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-143,335	0	-143,335	
51	Less: Interest expense for accounting purposes	-	39,280		39,280	
52	Provision for payments in lieu of income taxes	-	-15,186		-15,186	
53	Net Income (loss)	=	-167,429	0	-167,429	
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	+	-15,186	0	-15,186	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	139,197	0	139,197	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments	+	0	0	0	
66	Material addition items from TAXREC 2	+	0	0	0	
67	Other addition items (not Material) from TAXREC 2	+	0	0	0	
68						
69	Subtotal		124,011	0	124,011	
70						
71	Other Additions: (Please explain the nature of the additions)					
72	Recapture of CCA	+			0	
73	Non-deductible meals and entertainment expense	+	277		277	
74	Capital items expensed	+			0	
75	Non-deductible company pension plans	+	37,500		37,500	
76		+			0	
77		+			0	
78		+			0	
79	Total Other Additions	=	37,777	0	37,777	
80						
81	Total Additions	=	161,788	0	161,788	
82						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
83	Recap Material Additions:					
84			0	0	0	
85	Non-deductible meals and entertainment expense		277	0	277	
86			0	0	0	
87	Non-deductible company pension plans		37,500	0	37,500	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91	Total Other additions >materiality level		37,777	0	37,777	
92	Other deductions (less than materiality level)		0	0	0	
93	Total Other Additions		37,777	0	37,777	
94						
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	159,453		159,453	
97	Cumulative eligible capital deduction	-	31,939		31,939	
98	Employee benefit plans-paid amounts	-			0	
99	Items capitalized for regulatory purposes	-			0	
100	Regulatory adjustments :	-			0	
101	CCA	-			0	
102	other deductions	-	0	0	0	
103	Tax reserves - end of year	-	0	0	0	
104	Reserves from financial statements- beginning of year	-	0	0	0	
105	Contributions to deferred income plans	-			0	
106	Contributions to pension plans	-	28,425		28,425	
107	Interest capitalized for accounting deducted for tax	-		0	0	
108	Material deduction items from TAXREC 2	-	0	0	0	
109	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
110						
111	Subtotal	=	219,817	0	219,817	
112	Other deductions (Please explain the nature of the deductions)					
113	Charitable donations - tax basis	-	0	0	0	
114	Gain on disposal of assets	-			0	
115	Capital Tax	-			0	
116	Legal fees re PC operating lease	-			0	
117		-			0	
118	Total Other Deductions	=	0	0	0	
119						
120	Total Deductions	=	219,817	0	219,817	
121						
122	Recap Material Deductions:					
123			0	0	0	
124			0	0	0	
125			0	0	0	
126			0	0	0	
127			0	0	0	
128	Total Other Deductions exceed materiality level		0	0	0	
129	Other Deductions less than materiality level		0	0	0	
130	Total Other Deductions		0	0	0	
131						
132	TAXABLE INCOME	=	-225,458	0	-225,458	
133	DEDUCT:					
134	Non-capital loss applied positive number	-			0	
135	Net capital loss applied positive number	-			0	
136					0	
137	NET TAXABLE INCOME	=	(225,458)	0	(225,458)	
138						
139	FROM ACTUAL TAX RETURNS					
140	Net Federal Income Tax (Must agree with tax return)	+	0		0	
141	Net Ontario Income Tax (Must agree with tax return)	+			0	
142	Subtotal	=	0	0	0	
143	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
144	Total Income Tax	=	0	0	0	
145						
146	FROM ACTUAL TAX RETURNS					
147	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
148	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
149	Blended Income Tax Rate		0.00%		0.00%	
150						
151	Section D: Detailed calculation of Ontario Capital Tax					
152						
153	ONTARIO CAPITAL TAX					
154	(From Ontario CT23)					
155	PAID-UP CAPITAL					
156						
157	Paid-up capital stock	+	4,234,195		4,234,195	
158	Retained earnings (if deficit, deduct)	+/-	11,407		11,407	
159	Capital and other surplus excluding	+	4,158,106		4,158,106	
160	appraisal surplus	+			0	
161	Loans and advances	+	4,725,070		4,725,070	

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
162	Bank loans	+			0	
163	Bankers acceptances	+			0	
164	Bonds and debentures payable	+	475,000		475,000	
165	Mortgages payable	+			0	
166	Lien notes payable	+			0	
167	Deferred credits	+			0	
168	Contingent, investment, inventory and similar reserves	+			0	
169	Other reserves not allowed as deductions	+	504,437		504,437	
170	Share of partnership(s), joint venture(s) paid-up capital	+			0	
171	Sub-total	=	14,108,215	0	14,108,215	
172	Subtract:					
173	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
174	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
175	Total (Net) Paid-up Capital	=	14,108,215	0	14,108,215	
176						
177	ELIGIBLE INVESTMENTS					
178						
179	Bonds, lien notes, interest coupons	+			0	
180	Mortgages due from other corporations	+			0	
181	Shares in other corporations	+			0	
182	Loans and advances to unrelated corporations	+			0	
183	Eligible loans and advances to related corporations	+			0	
184	Share of partnership(s) or joint venture(s) eligible investments	+			0	
185						
186	Total Eligible Investments	=	0	0	0	
187						
188						
189	TOTAL ASSETS					
190						
191	Total assets per balance sheet	+	11,730,572		11,730,572	
192	Mortgages or other liabilities deducted from assets	+			0	
193	Share of partnership(s)/ joint venture(s) total assets	+			0	
194	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
195						
196	Total assets as adjusted	=	11,730,572	0	11,730,572	
197						
198	Add: (if deducted from assets)					
199	Contingent, investment, inventory and similar reserves	+			0	
200	Other reserves not allowed as deductions	+			0	
201	Subtract:				0	
202	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
203	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
204	Subtract: Appraisal surplus if booked	-			0	
205	Add or subtract: Other adjustments	+/-			0	
206						
207	Total Assets	=	11,730,572	0	11,730,572	
208						
209						
210	Investment Allowance		0	0	0	
211						
212	Taxable Capital					
213						
214	Net paid-up capital	+	14,108,215	0	14,108,215	
215	Subtract: Investment Allowance	-	0	0	0	
216						
217	Taxable Capital	=	14,108,215	0	14,108,215	
218						
219	Capital Tax Calculation					
220	Deduction from taxable capital up to maximum of \$5,000,000		5,000,000	0	5,000,000	
221	(Input in tab Tax Rates)					
222	Net Taxable Capital		9,108,215	0	9,108,215	
223						
224	Rate		0.3000%	0.3000%	0.3000%	
225						
226	Days in taxation year		92	92	92	
227	Divide days by 365		0.25	0.25	0.25	
228						
229	Ontario Capital Tax (Must agree with CT23 return)		6,887	0	6,887	
230						
231	Section E: Detailed calculation of Large Corporation Tax					
232						
233	LARGE CORPORATION TAX					
234	(From Federal Schedule 33)					
235	CAPITAL					
236	ADD:					

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	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	RRR # 2.1.8		Return			
5					Version 2004.2	
237	Reserves that have not been deducted in computing income for the year under Part I	+			0	
238	Capital stock	+	4,234,195		4,234,195	
239	Retained earnings	+	11,407		11,407	
240	Contributed surplus	+			0	
241	Any other surpluses	+	4,158,106		4,158,106	
242	Deferred unrealized foreign exchange gains	+			0	
243	All loans and advances to the corporation	+	475,000		475,000	
244	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	4,725,070		4,725,070	
245	Any dividends declared but not paid	+			0	
246	All other indebtedness outstanding for more than 365 days	+	504,437		504,437	
247						
248	Subtotal	=	14,108,215	0	14,108,215	
249						
250	DEDUCT:					
251	Deferred tax debit balance	-			0	
252	Any deficit deducted in computing shareholders' equity	-			0	
253	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
254	Deferred unrealized foreign exchange losses	-			0	
255						
256	Subtotal	=	0	0	0	
257						
258	Capital for the year		14,108,215	0	14,108,215	
259						
260	INVESTMENT ALLOWANCE					
261						
262	Shares in another corporation	+			0	
263	Loan or advance to another corporation	+			0	
264	Bond, debenture, note, mortgage, or	+			0	
265	similar obligation of another corporation	+			0	
266	Long term debt of financial institution	+			0	
267	Dividend receivable from another corporation	+			0	
268	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
269	Interest in a partnership	+			0	
270						
271	Investment Allowance	=	0	0	0	
272						
273						
274	TAXABLE CAPITAL					
275						
276	Capital for the year	=	14,108,215	0	14,108,215	
277						
278	Deduct: Investment allowance	-	0	0	0	
279						
280	Taxable Capital for taxation year	=	14,108,215	0	14,108,215	
281						
282	Deduct: Capital Deduction - maximum of \$50,000,000	-	10,000,000	0	10,000,000	
283	(Input in tab 'Tax Rates')					
284	Taxable Capital	=	4,108,215	0	4,108,215	
285						
286	Rate 0.225% in 2002 and 2003; 0.200% in 2004		0.22500%	0.22500%	0.22500%	
287						
288	Days in year		92	92	92	
289	Divide days by 366		0.2521	0.2521	0.2521	
290						
291	Gross Part I.3 Tax LCT (Must agree with tax return)	=	2,330	0	2,230	
292						
293	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
294						
295	Less: Federal Surtax = Actual Surtax from tax return	-	0		0	
296						
297	Net Part I.3 Tax - LCT Payable (Must agree with tax return)	=	2,330	0	2,330	
298	(If surtax is greater than Gross LCT, then zero)					
299						
300	Section F: Income and Capital Taxes					
301						
302	RECAP FROM ABOVE:					
303	Total Income Taxes	+	0	0	0	
304	Ontario Capital Tax	+	6,887	0	6,887	
305	Federal Large Corporations Tax	+	2,330	0	2,330	
306						
307	Total income and capital taxes	=	9,217	0	9,217	
308						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	RRR # 2.1.8				Version 2004.2	
6						
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: Dec. 31, 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other				0	
19	Other				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other				0	
31	Other				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other				0	
48	Other				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other				0	
60	Other				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.2	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: Dec. 31, 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		0			
12						
13	Section C: Reconciliation of accounting income to taxable income					
14	Add:					
15	Recapture of capital cost allowance	+			0	
16	Gain on sale of eligible capital property	+			0	
17	Income or loss for tax purposes- joint ventures or partnerships	+			0	
18	Loss in equity of subsidiaries and affiliates	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations	+			0	
21	Taxable capital gains	+			0	
22	Depreciation in inventory -end of year	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Non-deductible club dues and fees	+			0	
27	Non-deductible automobile expenses	+			0	
28	Non-deductible life insurance premiums	+			0	
29	Soft costs on construction and renovation of buildings	+			0	
30	Non-deductible meals and entertainment	+			0	
31	Book loss on joint ventures or partnerships	+			0	
32	Capital items expensed	+			0	
33	Debt issue expense	+			0	
34	Deemed dividend income	+			0	
35	Dividends credited to investment account	+			0	
36	Financing fees deducted in books	+			0	
37	Gain on settlement of debt	+			0	
38	Interest paid on income debentures	+			0	
39	Recapture of SR&ED expenditures	+			0	
40	Share issue expense	+			0	
41	Write down of capital property	+			0	
42	Amounts received in respect of qualifying environment trust	+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Debt financing expenses	+			0	
45	Amortization of deferred financing costs	+			0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			0	
53		+			0	
54	Total Additions	=	0	0	0	
55						
56	Recap of Material Additions:					
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78			0	0	0	
79			0	0	0	

	A	B	C	D	E	F
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RRR # 2.1.8		Return			
6					Version 2004.2	
80			0	0	0	
81			0	0	0	
82			0	0	0	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
95	Total Material additions		0	0	0	
96	Other additions less than materiality level		0	0	0	
97	Total Additions		0	0	0	
98						
99	Deduct:					
100	Gain on disposal of assets per f/s	-			0	
101	Dividends not taxable under section 83	-			0	
102	Terminal loss from Schedule 8	-			0	
103	Depreciation in inventory, end of prior year	-			0	
104	Scientific research expenses claimed in year from Form T661	-			0	
105	Bad debts	-			0	
106	Book income of joint venture or partnership	-			0	
107	Equity in income from subsidiary or affiliates	-			0	
108	Contributions to a qualifying environment trust	-			0	
109	Other income from financial statements	-			0	
110	Other deductions: (Please explain in detail the nature of the item)	-				
111	Imputed interest on Reg Assets	-			0	
112	Ont Cap Tax	-		0	0	
113	employee future benefit expense	-			0	
114		-			0	
115		-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120		-			0	
121		-			0	
122	Total Deductions	=	0	0	0	
123						
124	Recap of Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130			0	0	0	
131			0	0	0	
132			0	0	0	
133			0	0	0	
134			0	0	0	
135			0	0	0	
136			0	0	0	
137			0	0	0	
138			0	0	0	
139			0	0	0	
140			0	0	0	
141			0	0	0	
142			0	0	0	
143			0	0	0	
144			0	0	0	
145			0	0	0	
146	Total Deductions exceed materiality level		0	0	0	
147	Other deductions less than materiality level		0	0	0	
148	Total Deductions		0	0	0	
149						

	A	B	C	D	E	F	G	H	I	J
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"									
2	Corporate Tax Rates					Version 2004.2				
3	Exemptions, Deductions, or Thresholds					RRR # 2.1.8				
4	Utility Name: CNPI - Port Colborne									
5	Reporting period: Dec. 31, 2001									
6										
7										
8	Table 1									
8	Rates Used in 2002 RAM PILs Applications									
9	Income Range		0		200,001					
10	RAM 2002		to		to		>700,000			
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		0.00%							
15	and Ontario blended		19.12%		34.12%		38.62%			
16	Blended rate		19.12%	0.00%	34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Rates and Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates 2004		to	to	to		>1,128,000			
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
33	Ontario		5.50%	5.50%	9.75%		14.00%			
34	Blended rate		18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate		0.300%							
37	LCT rate		0.200%							
38	Surtax		1.12%							
39	Ontario Capital Tax Exemption ***	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption ***	MAX \$50MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to		>1,128,000			
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
51	Ontario		5.50%	5.50%	9.75%		14.00%			
52	Blended rate		18.62%	27.62%	31.87%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission:									
60	Ontario CT23 page 11; federal T2 Schedule 36									
61										
62										
63										
64										

[illegible]

2002 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Port Colborne			Colour Code	
4	Reporting period: 2002			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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,728,080	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			918,860	
42					
43	1999 return from RUD Sheet #7			441,219	441,219
44					
45	Total Incremental revenue			477,641	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			159,214	159,214
48	Amount allowed in 2002			159,214	159,214
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				759,647
55					
56	Equity			5,364,040	
57					
58	Return at target ROE			529,967	
59					
60	Debt			5,364,040	
61					
62	Deemed interest amount in 100% of MARR			388,893	
63					
64	Phase-in of interest - Year 1 (2001)			254,124	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			321,509	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			321,509	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			388,893	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	759,647		395,692		1,155,339	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	554,616		-551,587		3,029	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			12,834		12,834	
23	Reserves from financial statements - end of year	4			16,108		16,108	
24	Regulatory Adjustments - increase in income	5	138,703		-138,703		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			131		131	
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"				692		692	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	347,591		-295,173		52,418	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			14,433		14,433	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	321,509		-94,120		227,389	
38	Tax reserves - end of year	4			12,213		12,213	
39	Reserves from financial statements - beginning of year	4			15,825		15,825	
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			426		426	
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"				14,722		14,722	
49								
50	TAXABLE INCOME/ (LOSS)		783,866		66,841	Before loss C/F	850,707	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-37.7786%		0.84%	
54								
55	REGULATORY INCOME TAX		302,729		-295,551	Actual	7,178	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		302,729		-295,551	Actual	7,178	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,728,080		-9,736,974		991,106	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-4,946,562		53,438	
68	Taxable Capital		5,728,080		-14,683,536		937,668	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		17,184		-14,371		2,813	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,728,080		-9,642,278		1,085,802	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		-9,877,378		122,622	
77	Taxable Capital		728,080		-19,519,656		963,180	
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)		1,638		529		2,167	
82	Less: Federal Surtax 1.12% x Taxable Income	21	8,779		-8,779		0	
83								
84	Net LCT		-7,141		9,308		2,167	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	493,205			Actual 2002	7,178	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2002	2,167	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	17,184			Actual 2002	2,813	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	510,389			Actual 2002	12,158	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			12,834			
104	Reserves from financial statements-end of year	4			16,108			
105	Regulatory Adjustments	5			-138,703			
106	Other additions "Material" Items TAXREC	6			131			
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			14,433			
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			12,213			
114	Reserves from F/S beginning of year	4			15,825			
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		=	-152,101			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-58,741			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-58,741			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(93,986)			
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)			=	783,866			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	302,729			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	302,729			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	302,729			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12							\$	
13								
150	Ontario Capital Tax							
151	Base			=	10,728,080			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	5,728,080			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	17,184			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	17,184			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				10,728,080			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	728,080			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				1,638			
169	Less: Federal surtax			-	8,779			
170	Revised Net LCT			=	(7,141)			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	(7,141)			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(93,986)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(93,986)			
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)				388,893			
194	Interest phased-in (Cell C36)				321,509			
195								
196	Variance due to phase-in of debt component of MARR in rates				67,384			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				227,815			
202	Total deemed interest (REGINFO CELL D61)				388,893			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				67,384			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: 2002					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
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	+	13,800,256		13,800,256	
32	Distribution Revenue	+			0	
33	Other Income	+	73,988		73,988	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,284,927		11,284,927	
40	Administration	-	340,220		340,220	
41	Customer billing and collecting	-	294,073		294,073	
42	Operations and maintenance	-	770,301		770,301	
43	Amortization	-	3,029		3,029	
44	Ontario Capital Tax	-	26,355		26,355	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	1,155,339	0	1,155,339	
51	Less: Interest expense for accounting purposes	-	227,389		227,389	
52	Provision for payments in lieu of income taxes	-	123,207		123,207	
53	Net Income (loss)	=	804,743	0	804,743	
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	+	123,207	0	123,207	
60	Federal large corporation tax	+	2,441		2,441	
61	Depreciation & Amortization	+	3,029	0	3,029	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	12,834	0	12,834	
64	Reserves from financial statements- end of year	+	16,108	0	16,108	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		692	0	692	
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		158,311	0	158,311	
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	Tax credits	+	131		131	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	131	0	131	
81						
82	Total Additions	=	158,442	0	158,442	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88	Tax credits		131	0	131	
89			0	0	0	
90			0	0	0	
91			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
92	Total Other additions >materiality level		131	0	131	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		131	0	131	
95						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	52,353		52,353	
98	Cumulative eligible capital deduction	-	65		65	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	14,433		14,433	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	12,213	0	12,213	
105	Reserves from financial statements- beginning of year	-	15,825	0	15,825	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		14,722	0	14,722	
109	Interest capitalized for accounting deducted for tax	-	426		426	
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	=	110,037	0	110,037	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116		-			0	
117		-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	110,037	0	110,037	
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	=	853,148	0	853,148	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	853,148	0	853,148	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+			0	
143	Net Ontario Income Tax (Must agree with tax return)	+	7,178		7,178	
144	Subtotal	=	7,178	0	7,178	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	7,178	0	7,178	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.84%		0.84%	
151	Blended Income Tax Rate		0.84%	*****	0.84%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	7,178	0	7,178	
157	Ontario Capital Tax	+	2,813		2,813	
158	Federal Large Corporations Tax	+	2,167		2,167	
159						
160	Total income and capital taxes	=	12,158	0	12,158	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: 2002					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		12,834		12,834	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		12,834	0	12,834	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		12,213		12,213	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		12,213	0	12,213	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		15,825		15,825	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		15,825	0	15,825	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		16,108		16,108	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		16,108	0	16,108	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
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2	PILs TAXES					
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: CNPI - Port Colborne				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	665		665	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes		27		27	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	692	0	692	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	25		25	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Deferred GST ITCS	-	14,697		14,697	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	14,722	0	14,722	
74						
75						

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Port Colborne														Version 2009.1
4	Reporting period: 2002														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	0	0	0	0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
43															
44															
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.														
47															
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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
49															
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
59	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
60															
61															
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWts, 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.														
64	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.														
65															
66															
67	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.														
68															
69															
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 will have to include amounts from 1562 and from 1590.														
75															
76															
77															
78															

2003 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Port Colborne			Colour Code	
4	Reporting period: 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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,728,080	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			918,860	
42					
43	1999 return from RUD Sheet #7			441,219	441,219
44					
45	Total Incremental revenue			477,641	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			159,214	159,214
48	Amount allowed in 2002			159,214	159,214
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				759,647
55					
56	Equity			5,364,040	
57					
58	Return at target ROE			529,967	
59					
60	Debt			5,364,040	
61					
62	Deemed interest amount in 100% of MARR			388,893	
63					
64	Phase-in of interest - Year 1 (2001)			254,124	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			321,509	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			321,509	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			388,893	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance		
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)						Version 2009.1	
5		0						
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2003							
8							Column Brought	
9	Days in reporting period:	365	days				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	759,647		1,253,669		2,013,316	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	554,616		-366,501		188,115	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			14,386		14,386	
23	Reserves from financial statements - end of year	4			52,891		52,891	
24	Regulatory Adjustments - increase in income	5	138,703		-138,703		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			7,816		7,816	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				41,503		41,503	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	347,591		-193,248		154,343	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			18,709		18,709	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	321,509		-42,337		279,172	
38	Tax reserves - end of year	4			19,033		19,033	
39	Reserves from financial statements - beginning of year	4			18,625		18,625	
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			970		970	
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			5,266		5,266	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				4,898		4,898	
49								
50	TAXABLE INCOME/ (LOSS)		783,866		1,033,145		1,817,011	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-7.8767%		30.74%	
54								
55	REGULATORY INCOME TAX		302,729		245,905	Actual	548,634	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		302,729		245,905	Actual	548,634	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,728,080		-7,890,863		2,837,217	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-4,967,687		32,313	
68	Taxable Capital		5,728,080		-12,858,550		2,804,904	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		17,184		-8,770		8,415	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,728,080		-7,621,874		3,106,206	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		-10,000,000		0	
77	Taxable Capital		728,080		-17,621,874		3,106,206	
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)		1,638		5,351		6,989	
82	Less: Federal Surtax 1.12% x Taxable Income	21	8,779		-6,614		2,165	
83								
84	Net LCT		-7,141		11,965		4,824	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	493,205			Actual 2003	548,634	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	4,824	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	17,184			Actual 2003	8,415	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	510,389			Actual 2003	561,873	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			14,386			
104	Reserves from financial statements-end of year	4			52,891			
105	Regulatory Adjustments	5			-138,703			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			7,816			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			18,709			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			19,033			
114	Reserves from F/S beginning of year	4			18,625			
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			5,266			
119								
120	Total TRUE-UPS before tax effect	26		=	-125,243			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	36.62%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
123				=	-45,864			
124	Income Tax Effect on True-up adjustments							
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-45,864			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(71,107)			
133								
134	IV b) Calculation of the Deferral Account Variance caused by							
135	changes in legislation							
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial			=	783,866			
137	estimate column)							
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	287,052			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	287,052			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell			-	302,729			
147	C58)							
148	Regulatory Income Tax Variance			=	(15,677)			
149								
150	Ontario Capital Tax							
151	Base			=	10,728,080			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	5,728,080			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	17,184			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	17,184			
159	C70)							
160	Regulatory Ontario Capital Tax Variance			=	0			
161	Federal LCT							
162	Base				10,728,080			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	728,080			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				1,638			
169	Less: Federal surtax			-	8,779			
170	Revised Net LCT			=	(7,141)			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	(7,141)			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	(24,306)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(24,306)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(71,107)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(95,413)			
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)				388,893			
194	Interest phased-in (Cell C36)				321,509			
195								
196	Variance due to phase-in of debt component of MARR in rates				67,384			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				280,142			
202	Actual Interest Paid				321,508			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				67,384			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	16,585,207		16,585,207	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	12,909,287		12,909,287	
40	Administration	-	380,136		380,136	
41	Customer billing and collecting	-	435,177		435,177	
42	Operations and maintenance	-	632,900		632,900	
43	Amortization	-	188,115		188,115	
44	Ontario Capital Tax	-	26,276		26,276	
45	Reg Asset movement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	2,013,316	0	2,013,316	
51	Less: Interest expense for accounting purposes	-	279,172		279,172	
52	Provision for payments in lieu of income taxes	-	311,070		311,070	
53	Net Income (loss)	=	1,423,074	0	1,423,074	
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	+	311,070	0	311,070	
60	Federal large corporation tax	+	5,303		5,303	
61	Depreciation & Amortization	+	188,115	0	188,115	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	14,386	0	14,386	
64	Reserves from financial statements- end of year	+	52,891	0	52,891	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		41,503	0	41,503	
67	Material addition items from TAXREC 2	+	7,816	0	7,816	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		621,084	0	621,084	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	<i>Total Additions</i>	=	621,084	0	621,084	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
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	
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	-	154,184		154,184	
98	Cumulative eligible capital deduction	-	159		159	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	18,709		18,709	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	19,033	0	19,033	
105	Reserves from financial statements- beginning of year	-	18,625	0	18,625	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		4,898	0	4,898	
109	Interest capitalized for accounting deducted for tax	-	970		970	
110	Material deduction items from TAXREC 2	-	5,266	0	5,266	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	221,844	0	221,844	
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	=	221,844	0	221,844	
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	=	1,822,314	0	1,822,314	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	37,747		37,747	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,784,567	0	1,784,567	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	402,216		402,216	
143	Net Ontario Income Tax (Must agree with tax return)	+	146,418		146,418	
144	Subtotal	=	548,634	0	548,634	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	548,634	0	548,634	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.54%		22.54%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		8.20%		8.20%	
151	Blended Income Tax Rate		30.74%		30.74%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	548,634	0	548,634	
157	Ontario Capital Tax	+	8,415		8,415	
158	Federal Large Corporations Tax	+	4,824		4,824	
159						
160	Total income and capital taxes	=	561,873	0	561,873	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		14,386		14,386	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		14,386	0	14,386	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		19,033		19,033	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		19,033	0	19,033	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		18,625		18,625	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		18,625	0	18,625	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		52,891		52,891	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		52,891	0	52,891	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	7,816		7,816	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	7,816	0	7,816	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		7,816	0	7,816	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		7,816	0	7,816	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		7,816	0	7,816	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Deferred financing costs	-	5,266		5,266	
97		-			0	
98		-			0	
99	Total Deductions	=	5,266	0	5,266	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		5,266	0	5,266	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		5,266	0	5,266	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		5,266	0	5,266	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: CNPI - Port Colborne				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	1,274		1,274	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes		2,416		2,416	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45	Deferred GST ITCS	+	37,813		37,813	
46		+				
47	Total Additions on which true-up does not apply	=	41,503	0	41,503	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-	1,900		1,900	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Deferred deregulation costs	-	2,998		2,998	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	4,898	0	4,898	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - Port Colborne									
5	Reporting period: 2003									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0 to 200,000		200,001 to 700,000	>700000				
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		26.12%		26.12%	26.12%				
15	and Ontario blended		12.50%		12.50%	12.50%				
16	Blended rate		38.62%		38.62%	38.62%				
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0 to 200,000	250,001 to 400,000	400,001 to 1,128,000	>700000				
28	Expected Rates	Year								
29										
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	24.12%	24.12%	24.12%	24.12%				
33	Ontario	2003	12.50%	12.50%	12.50%	12.50%				
34	Blended rate	2003	36.62%	36.62%	36.62%	36.62%				
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	1.12%							
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2003 Tax Returns									
45	Income Range		0 to 200,000	250,001 to 400,000	400,001 to 1,128,000	>700,000				
46		Year								
47										
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		24.12%	24.12%	24.12%	24.12%				
51	Ontario		12.50%	12.50%	12.50%	12.50%				
52	Blended rate		36.62%	36.62%	36.62%	36.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	32,313							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Port Colborne														Version 2009.1
4	Reporting period: 2003														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23															
24															
25															
26	Uncollected PILs														
27															
28	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.														
29															
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWts, Kva) for the period (including net unbilled at period end), multiplied														
64	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	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2004 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Port Colborne			Colour Code	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	366	days		
7	Total days in the calendar year:	366	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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,728,080	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			918,860	
42					
43	1999 return from RUD Sheet #7			441,219	441,219
44					
45	Total Incremental revenue			477,641	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			159,214	159,214
48	Amount allowed in 2002			159,214	159,214
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				759,647
55					
56	Equity			5,364,040	
57					
58	Return at target ROE			529,967	
59					
60	Debt			5,364,040	
61					
62	Deemed interest amount in 100% of MARR			388,893	
63					
64	Phase-in of interest - Year 1 (2001)			254,124	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			321,509	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			321,509	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			388,893	
71					
72					

	A	B	C	D	E	F	G	H
1	PILS TAXES	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: Port Colborne							
7	Reporting period: 2004							
8							Column Brought From TAXREC \$	
9	Days in reporting period:	366	days					
10	Total days in the calendar year:	366	days					
11			\$		\$			
12								
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	759,647		676,353		1,436,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	554,616		-436,314		118,302	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			25,998		25,998	
23	Reserves from financial statements - end of year	4			82,171		82,171	
24	Regulatory Adjustments - increase in income	5	138,703		-138,703		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			11,776		11,776	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				12,190		12,190	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	347,591		-77,084		270,507	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			68,247		68,247	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	321,509		-16,222		305,287	
38	Tax reserves - end of year	4			26,748		26,748	
39	Reserves from financial statements - beginning of year	4			78,724		78,724	
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			5,126		5,126	
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			7,838		7,838	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		783,866		140,094		923,960	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5592%		36.06%	
54								
55	REGULATORY INCOME TAX		302,729		30,458	Actual	333,187	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		302,729		30,458	Actual	333,187	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,728,080		-6,026,150		4,701,930	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-4,907,864		92,136	
68	Taxable Capital		5,728,080		-10,934,014		4,609,794	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		17,184		-3,355		13,829	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,728,080		-5,444,617		5,283,463	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		-9,836,813		163,187	
77	Taxable Capital		728,080		-15,281,430		5,120,276	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		1,638		8,602		10,241	
82	Less: Federal Surtax 1.12% x Taxable Income	21	8,779		-7,009		1,770	
83								
84	Net LCT		-7,141		15,612		8,471	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	493,205			Actual 2004	333,187	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	8,471	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	17,184			Actual 2004	13,829	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	510,389			Actual 2004	355,487	
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			25,998			
104	Reserves from financial statements-end of year	4			82,171			
105	Regulatory Adjustments	5			-138,703			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			11,776			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			68,247			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			26,748			
114	Reserves from F/S beginning of year	4			78,724			
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			7,838			
119								
120	Total TRUE-UPS before tax effect	26		=	-200,315			

	A	B	C	D	E	F	G	H
1	PILS TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Port Colborne							
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	366	days				Brought	
10	Total days in the calendar year:	366	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-72,354			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-72,354			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(111,314)			
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)			=	783,866			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	283,133			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	283,133			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	302,729			
147								
148	Regulatory Income Tax Variance			=	(19,597)			
149								
150	Ontario Capital Tax							
151	Base			=	10,728,080			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	5,728,080			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	17,184			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	17,184			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				10,728,080			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	728,080			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				1,456			
169	Less: Federal surtax			-	8,779			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(30,149)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(30,149)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(111,314)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(141,462)			
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)				388,893			
194	Interest phased-in (Cell C36)				321,509			
195								
196	Variance due to phase-in of debt component of MARR in rates				67,384			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				310,413			
202	Actual Interest Paid				321,508			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				67,384			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Port Colborne					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		366	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				
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	+	15,765,960		15,765,960	
32	Distribution Revenue	+			0	
33	Other Income	+	578,040		578,040	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	13,055,097		13,055,097	
40	Administration	-	336,729		336,729	
41	Customer billing and collecting	-	675,841		675,841	
42	Operations and maintenance	-	686,694		686,694	
43	Amortization	-	118,302		118,302	
44	Ontario Capital Tax	-	35,337		35,337	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	1,436,000	0	1,436,000	
51	Less: Interest expense for accounting purposes	-	305,287		305,287	
52	Provision for payments in lieu of income taxes	-	79,539		79,539	
53	Net Income (loss)	=	1,051,174	0	1,051,174	
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	+	79,539	0	79,539	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	118,302	0	118,302	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	25,998	0	25,998	
64	Reserves from financial statements- end of year	+	82,171	0	82,171	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		12,190	0	12,190	
67	Material addition items from TAXREC 2	+	11,776	0	11,776	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		329,976	0	329,976	
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	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	329,976	0	329,976	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
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	
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	-	269,618		269,618	
98	Cumulative eligible capital deduction	-	889		889	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-	68,247		68,247	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	26,748	0	26,748	
105	Reserves from financial statements- beginning of year	-	78,724	0	78,724	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-	5,126		5,126	
110	Material deduction items from TAXREC 2	-	7,838	0	7,838	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	457,190	0	457,190	
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	=	457,190	0	457,190	
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	=	923,960	0	923,960	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	923,960	0	923,960	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	204,337	0	204,337	
143	Net Ontario Income Tax (Must agree with tax return)	+	128,850	0	128,850	
144	Subtotal	=	333,187	0	333,187	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	333,187	0	333,187	
147						
148	FROM ACTUAL TAX RETURNS					
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)		13.95%		13.95%	
151	Blended Income Tax Rate		36.06%		36.06%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	333,187	0	333,187	
157	Ontario Capital Tax	+	13,829		13,829	
158	Federal Large Corporations Tax	+	8,471		8,471	
159						
160	Total income and capital taxes	=	355,487	0	355,487	
161						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Port Colborne					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		25,998		25,998	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		25,998	0	25,998	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		26,748		26,748	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		26,748	0	26,748	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		78,724		78,724	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		78,724	0	78,724	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		82,171		82,171	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		82,171	0	82,171	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Port Colborne					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	11,776		11,776	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	11,776	0	11,776	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		11,776	0	11,776	
73			0	0	0	
74			0	0	0	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Port Colborne					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		11,776	0	11,776	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		11,776	0	11,776	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	7,838		7,838	
97		-			0	
98		-			0	
99	Total Deductions	=	7,838	0	7,838	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		7,838	0	7,838	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		7,838	0	7,838	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		7,838	0	7,838	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: Port Colborne				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,531		2,531	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes		5,197		5,197	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45	Deferred deregulation costs	+	4,462		4,462	
46		+				
47	Total Additions on which true-up does not apply	=	12,190	0	12,190	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates Version 2009.1									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Port Colborne									
5	Reporting period: 2004									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to					
11		Year	200,000		700,000				>700000	
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		26.12%		26.12%				26.12%	
15	and Ontario blended		12.50%		12.50%				12.50%	
16	Blended rate		38.62%		38.62%				38.62%	
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to				>1,128,000	
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)	2004	22.12%	22.12%	22.12%				22.12%	
33	Ontario	2004	14.00%	14.00%	14.00%				14.00%	
34	Blended rate	2004	36.12%	36.12%	36.12%				36.12%	
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to				>1,128,000	
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		22.12%	22.12%	22.12%				22.12%	
51	Ontario		14.00%	14.00%	14.00%				14.00%	
52	Blended rate		36.12%	36.12%	36.12%				36.12%	
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	92,136							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	163,187							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Port Colborne														Version 2009.1
4	Reporting period: 2004														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	0	0	0	0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2005 SIMPILS TRUE-UP MODEL

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: CNPI - Port Colborne			Colour Code	
4	Reporting period: 2005			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	N/A	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	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		0%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,728,080	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			918,860	
42					
43	1999 return from RUD Sheet #7			441,219	441,219
44					
45	Total Incremental revenue			477,641	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			211,450	211,450
48	Amount allowed in 2002			159,219	159,219
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)			159219	159,219
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				1
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				971,108
55					
56	Equity			5,364,040	
57					
58	Return at target ROE			529,967	
59					
60	Debt			5,364,040	
61					
62	Deemed interest amount in 100% of MARR			388,893	
63					
64	Phase-in of interest - Year 1 (2001)			276,232	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			343,619	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			343,619	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			388,893	
71					
72					

	A	B	C	D	E	F	G	H
1	PILS TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	971,108		-974,520		-3,412	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	554,616		-355,204		199,412	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			33,154		33,154	
23	Reserves from financial statements - end of year	4			83,768		83,768	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			713		713	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			9,194		9,194	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				13,917		13,917	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	349,339		17,202		366,541	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			96,714		96,714	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	388,893		21,755		410,648	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			102,601		102,601	
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			1,865		1,865	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	23,349		-23,349		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	"Material" Items from "TAXREC 2" worksheet	12			9,786		9,786	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		764,143		(1,415,552)		(651,409)	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		8.6200%		36.12%	
54								
55	REGULATORY INCOME TAX		210,139		-128,674	Actual	81,465	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		210,139		-128,674	Actual	81,465	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,728,080		-4,880,372		5,847,708	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-7,325,611		174,389	
68	Taxable Capital		3,228,080		-12,205,983		5,673,319	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		9,684		7,336		17,020	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,728,080		-4,059,028		6,669,052	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-49,898,120		101,880	
77	Taxable Capital		0		-53,957,148		6,567,172	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		13,134		13,134	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		13,134		13,134	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		27.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	289,842			Actual 2005	81,465	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	11,493	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	9,684			Actual 2005	16,307	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	299,527			Actual 2005	109,265	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			33,154			
104	Reserves from financial statements-end of year	4			83,768			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			713			
107	Other additions "Material" Items TAXREC 2	6			9,194			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			96,714			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			23,620			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			102,601			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			-23,349			
118	Other deductions "Material" Item TAXREC 2	12			9,786			
119								
120	Total TRUE-UPS before tax effect	26		=	-82,543			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	36.12%			

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: CNPI - Port Colborne							
7	Reporting period: 2005							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
123								
124	Income Tax Effect on True-up adjustments			=	-29,815			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-29,815			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(45,869)			
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)			=	764,143			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	276,008			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	276,008			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	210,139			
147								
148	Regulatory Income Tax Variance			=	65,869			
149								
150	Ontario Capital Tax							
151	Base			=	10,728,080			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	3,228,080			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	9,684			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	9,684			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				10,728,080			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(39,271,920)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	101,337			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	101,337			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(45,869)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	55,469			
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)				388,893			
194	Interest phased-in (Cell C36)				343,619			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				45,274			
197								
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)				412,513			
202	Actual Interest Paid				388,893			
203								
204	Variance caused by excess debt				23,620			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				23,620			
207								
208	Total Interest Variance				21,654			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: CNPI - Port Colborne						
8	Reporting period: 2005						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		365	days			
12							
13	Please enter the Materiality Level :		0	< - enter materiality level			
14	(0.25% x Rate Base x CER)	Y/N					
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	+	18,122,000		18,122,000		
32	Distribution Revenue	+			0		
33	Other Income	+			0		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	15,490,217		15,490,217		
40	Administration	-	1,208,161		1,208,161		
41	Customer billing and collecting	-	501,679		501,679		
42	Operations and maintenance	-	688,479		688,479		
43	Amortization	-	199,412		199,412		
44	Ontario Capital Tax	-	37,464		37,464		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	-3,412	0	-3,412		
51	Less: Interest expense for accounting purposes	-	410,648		410,648		
52	Provision for payments in lieu of income taxes	-	-616,825		-616,825		
53	Net Income (loss)	=	202,765	0	202,765		
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	+	-616,825	0	-616,825		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	199,412	0	199,412		
62	Employee benefit plans-accrued, not paid	+		0	0		
63	Tax reserves - beginning of year	+	33,154	0	33,154		
64	Reserves from financial statements- end of year	+	83,768	0	83,768		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		13,917	0	13,917		
67	Material addition items from TAXREC 2	+	9,194	0	9,194		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		-277,380	0	-277,380		
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	Ontario apprentice and co-op credits	+	713		713		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	713	0	713		
81							
82	Total Additions	=	-276,667	0	-276,667		
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		
87			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
88	Ontario apprentice and co-op credits		713	0	713		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		713	0	713		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		713	0	713		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	365,509		365,509		
98	Cumulative eligible capital deduction	-	1,032		1,032		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-	96,714		96,714		
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	-	102,601	0	102,601		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		0	0	0		
109	Interest capitalized for accounting deducted for tax	-	1,865		1,865		
110	Material deduction items from TAXREC 2	-	9,786	0	9,786		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	577,507	0	577,507		
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	=	577,507	0	577,507		
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	=	-651,409	0	-651,409		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	(651,409)	0	(651,409)		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	0	0	0		
143	Net Ontario Income Tax (Must agree with tax return)	+	81,465	0	81,465		
144	Subtotal	=	81,465	0	81,465		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	81,465	0	81,465		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		-12.51%		-12.51%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		-12.51%		-12.51%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	81,465	0	81,465		
157	Ontario Capital Tax	+	16,307		16,307		
158	Federal Large Corporations Tax	+	11,493		11,493		
159							
160	Total income and capital taxes	=	109,265	0	109,265		
161							

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: CNPI - Port Colborne					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)		33,154		33,154	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		33,154	0	33,154	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)		0		0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Pension and post retirement		102,601		102,601	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		102,601	0	102,601	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Pension and post retirement		83,768		83,768	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		83,768	0	83,768	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Deferred financing costs	+	9,194		9,194	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	9,194	0	9,194	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72	Deferred financing costs		9,194	0	9,194	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: CNPI - Port Colborne					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		9,194	0	9,194	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		9,194	0	9,194	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	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	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Deferred financing costs	-	9,786		9,786	
97		-			0	
98		-			0	
99	Total Deductions	=	9,786	0	9,786	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Deferred financing costs		9,786	0	9,786	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		9,786	0	9,786	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		9,786	0	9,786	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES					
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: CNPI - Port Colborne				Version 2009.1	
9						
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					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	11,964		11,964	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	1,953		1,953	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	13,917	0	13,917	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: CNPI - Port Colborne									
5	Reporting period: 2005									
6										
7	Table 1									
8	Rates Used in 2005 RAM PILs Applications for 2005									
9	Income Range		0		400,001					
10	RAM 2005		to		to					
11		Year	400,000		1,128,000				>1,128,000	
12	Income Tax Rate									
13	Proxy Tax Year	2005								
14	Federal (Includes surtax)		13.12%		17.75%				22.12%	
15	and Ontario blended		5.50%		9.75%				14.00%	
16	Blended rate		18.62%		27.50%				36.12%	
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to				>1,128,000	
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2005								
32	Federal (Includes surtax)	2005	13.12%	22.12%	22.12%				22.12%	
33	Ontario	2005	5.50%	5.50%	9.75%				14.00%	
34	Blended rate	2005	18.62%	27.62%	31.87%				36.12%	
35										
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2005	MAX \$7.5MM	7,500,000							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2005 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to				>1,128,000	
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)		22.12%	22.12%	22.12%				22.12%	
51	Ontario		14.00%	14.00%	14.00%				14.00%	
52	Blended rate		36.12%	36.12%	36.12%				36.12%	
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	174,389							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	101,880							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: CNPI - Port Colborne														Version 2009.1
4	Reporting period: 2005														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=													
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
13	PILs proxy from April 1, 2005 - input 9/12 of amount														
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
15	True-up Variance Adjustment (3)	+/-													
16	Deferral Account Variance Adjustment Q4, 2001 (4)														
17	Deferral Account Variance Adjustment (5)	+/-													
18	Adjustments to reported prior years' variances (6)	+/-													
19	Carrying charges (7)	+/-													
20	PILs billed to (collected from) customers (8)	-													
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	0	0	0	0
23															
24															
25															
26	Uncollected PILs														
27															
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.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
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.														
37	(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	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
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.														
47															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
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.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
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															
77															

2002 RAM MODEL

SHEET 1 - 2001 OEB Approved Rate Schedule

V2

NAME OF UTILITY
NAME OF CONTACT
e-Mail Address
VERSION NUMBER
Date

Port Colborne Hydro Inc.
Kay Anderson
kandersn@niagara.com
1
25-Jan-02

LICENCE NUMBER ED-1999-0069
PHONE NUMBER (905) 835-0051

Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0068
MONTHLY SERVICE CHARGE (Per Customer) \$9.05
COST OF POWER KWH RATE \$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0041
MONTHLY SERVICE CHARGE (Per Customer) \$18.22
COST OF POWER KWH RATE \$0.0747

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.1163
MONTHLY SERVICE CHARGE (Per Customer) \$383.31
COST OF POWER KW RATE \$6.2246
COST OF POWER KWH RATE \$0.0526

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE		\$1.1163					
MONTHLY SERVICE CHARGE (Per Customer)		\$383.31					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$11.82	\$0.00	\$0.0707	\$0.0422	\$0.0000	\$0.0000	

STANDBY SERVICE

DISTRIBUTION KW RATE		\$0.4116					
MONTHLY STANDBY CHARGE (\$/KW)		\$1.09					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$12.05	\$9.02	\$0.0707	\$0.0422	\$0.0597	\$0.0313	

LARGE USE

DISTRIBUTION KW RATE		\$0.0000					
MONTHLY SERVICE CHARGE (Per Customer)		\$0.00					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE		\$2.5054
MONTHLY SERVICE CHARGE (Per Connection)		\$1.13
COST OF POWER KW RATE		\$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE		\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)		\$0.00
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE		\$1.6062
MONTHLY SERVICE CHARGE (Per Connection)		\$0.76
COST OF POWER KW RATE		\$23.2526

OR

STREET LIGHTING (TIME OF USE)

STRIIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00
COST OF POWER TIME OF USE RATES	WINTER PEAK SUMMER PEAK
	\$/KW \$/KW
	\$0.0000 \$0.0000

MISCELLANEOUS CHARGES

ADD 2001 OFB APPROVED MISCELLANEOUS CHARGES BELOW.

Please enter these charges exactly as they are entered in your current approved rate schedule.

Please add your specific charges as necessary.

Transformer

Losses: adjustment shall be made in accordance with
Section IV, clause 7 of the Standard Application of Rates until replaced
by the Transformer Loss provisions in the Rate Handbook.

Allowance for Ownership:(per kW of billing demand)
service at less than 115 kv (per kW)

\$0.60

Specific Service Charges

Customer Administration

Occupancy Charge/Account set up Charge

\$8.80

Arrears Certificate

\$10.70

Temporary Boat Hook-up Charge (per ampere of service)

\$2.00

Supply and Installation of Time of Use Meter

Actual Cost of meter and installation

Non-Payment of Account

late Payment (per month; per annum)

1.5%; 19.56%

Returned Cheque Charge - Actual Bank Charges plus

\$13.50

Collection Charge

\$9.00

Reconnection - during regular hours

\$17.60

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY Port Colborne Hydro Inc.
NAME OF CONTACT Kay Anderson
E- Mail Address kandersn@niagara.com
VERSION NUMBER 1

LICENCE NUMBER ED-1999-0069
PHONE NUMBER (905) 835-0051

Date 25-Jan-02

Enter the IPI for 2001 when released by the Board in January.

IPI	PF	Adjustment Factor
0.4%	-1.5%	-1.1%

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

or
98.90%

of current rates.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.006725
MONTHLY SERVICE CHARGE (Per Customer) \$8.9505
COST OF POWER KWH RATE \$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.000000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.004055
MONTHLY SERVICE CHARGE (Per Customer) \$18.0196
COST OF POWER KWH RATE \$0.07470

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.000000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.104021
MONTHLY SERVICE CHARGE (Per Customer) \$379.0936
COST OF POWER KW RATE \$6.2246
COST OF POWER KWH RATE \$0.0526

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.104021					
MONTHLY SERVICE CHARGE (Per Customer)	\$379.0936					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$11.82	\$0.00	\$0.0707	\$0.0422	\$0.0000	

STANDBY SERVICE

DISTRIBUTION KW RATE	\$0.407072					
MONTHLY SERVICE CHARGE (Per Customer)	\$1.0780					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$12.05	\$9.02	\$0.0707	\$0.0422	\$0.0597	

LARGE USE

DISTRIBUTION KW RATE	\$0.000000					
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.477841
MONTHLY SERVICE CHARGE (Per Connection)	\$1.1176
COST OF POWER KW RATE	\$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.5885
MONTHLY SERVICE CHARGE (Per Connection)	\$0.7516
COST OF POWER KW RATE	\$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
----------------------	----------

MONTHLY SERVICE CHARGE (Per Connection)	\$0.00
-----------------------------------------	--------

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0313

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SHEET 3 - Calculating Rate Increases using 1999 LDC Data and adding 2002 Incremental MARR

NAME OF UTILITY	Port Colborne Hydro Inc.	LICENCE NUMBER	ED-1999-0069
NAME OF CONTACT	Kay Anderson	PHONE NUMBER	(905) 835-0051
Mail Address	kandersn@niagara.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR. If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.

Enter the permanent revenue adjustment amount here: \$ Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. \$159,214

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) \$159,214

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) \$159,214

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rate: The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS		61,189,705	7,875	\$1,271,315	53.59%	\$85,321
GENERAL SERVICE <50 KW CLASS		27,588,805	1,069	\$346,840	14.62%	\$23,277
GENERAL SERVICE >50 KW	314,716 { 284,305		69	\$634,750	26.76%	\$42,600
STANDBY SERVICE	30,411		6,120	\$92,567	3.90%	\$6,212
					0.00%	\$0
TINEL LIGHTS	77		29	\$585	0.02%	\$39
ET LIGHTING CLASS	5,365		1,933	\$26,292	1.11%	\$1,765
TOTALS				\$2,372,349	1.00	\$159,214
Allocated Total for 2002 including adjustments at Cell B13 ==>						\$159,214

Residential Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	\$ 27,943.01	\$ 57,377.98	\$ 85,320.99
(B) RETAIL KWH	61,189,705		
(C) NUMBER OF CUSTOMERS		7,875	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000457		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.6072	

General Service <50kW Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	\$ 7,623.41	\$ 15,653.86	\$ 23,277.28
(B) RETAIL KWH	27,588,805		
(C) NUMBER OF CUSTOMERS		1,069	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000276		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$1.2203	

General Service >50kW Class Non TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	\$ 21,299.80	\$ 21,299.80	\$ 42,599.60
RETAIL KW	284,305		
(C) NUMBER OF CUSTOMERS		69	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.074919		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$25.7244	

General Service >50kW Class TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.074919		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$25.7244	

Standby Service

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.136	0.864	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above)	\$ 842.19	\$ 5,370.19	\$ 6,212.38
(B) RETAIL KW	30,411		
(C) CONNECTED KW		6,120	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.027694		
(E) ADDITIONAL MONTHLY STANDBY CHARGE (A)/(C)/12 (this amount is added to the Standby Charge shown on Sheet 2 and the total new Standby Charge appears on the Rate Schedule on Sheet 4)		\$0.0731	

Large User Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Sentinel Lighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.328	0.672	100%
LOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	\$ 12.86	\$ 26.40	\$ 39.25
(B) RETAIL KW	77		
(C) NUMBER OF CUSTOMERS (Connections)		29	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.168052
 (this amount is added to the kW rate shown on Sheet 2 and
 the total new rate appears on the Rate Schedule on Sheet 4)

DDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0759
 , amount is added to the Service Charge shown on Sheet 2 and
 the total new Service Charge appears on the Rate Schedule on Sheet 4)

Streetlighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.328	0.672	100%

(A) ALLOCATED 2002 1/3 MARR REVENUE \$ 577.88 \$ 1,186.62 \$ 1,764.51
 (Total in Cell G33 above)

(B) RETAIL KW 5,365

(C) NUMBER OF CUSTOMERS 1,938

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.107714
 (this amount is added to the kW rate shown on Sheet 2 and
 the total new rate appears on the Rate Schedule on Sheet 4)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0510
 (this amount is added to the Service Charge shown on Sheet 2 and
 the total new Service Charge appears on the Rate Schedule on Sheet 4)

S.

SHEET 4 - 2002 Base Rate Schedule including 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Port Colborne Hydro Inc.	LICENCE NUMBER	ED-1999-0069
NAME OF CONTACT	Kay Anderson	PHONE NUMBER	(905) 835-0051
ail Address	kandersn@niagara.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	\$9.56
COST OF POWER KWH RATE	\$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0043
MONTHLY SERVICE CHARGE (Per Customer)	\$19.24
COST OF POWER KWH RATE	\$0.0747

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.1789
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82
OF POWER KW RATE	\$6.2246
COST OF POWER KWH RATE	\$0.0526

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.1789					
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$11.8211	\$0.0000	\$0.0707	\$0.0422	\$0.0000	\$0.0000

STANDBY SERVICE

DISTRIBUTION KW RATE	\$0.4348					
MONTHLY STANDBY CHARGE (Per kW)	\$1.1511					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.0500	\$9.0200	\$0.0707	\$0.0422	\$0.0597	\$0.0313

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.6459
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19
COST OF POWER KW RATE	\$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.6962
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80
COST OF POWER KW RATE	\$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK \$/KW	SUMMER PEAK \$/KW
	\$0.0000	\$0.0000

SHEET 5 - Bill Impact Analysis for 2002 Rate Schedule including IPI-PF & 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY Port Colborne Hydro Inc.
NAME OF CONTACT Kay Anderson
Mail Address kanderson@niagara.com
TION NUMBER 1
Date 25-Jan-02

LICENCE NUMBER ED-1999-0069
PHONE NUMBER (905) 835-0051

This schedule shows the bill impacts using the 2002 Base Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Base Rate Schedule (including IPI-PF & 1/3 Incremental MARR)

RESIDENTIAL CLASS

NON-TIME OF USE	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %	
100 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05		MONTHLY SERVICE CHARGE	n/a	\$ 9.56			
DISTRIBUTION KWH	100	0.0068	\$ 0.68		DISTRIBUTION KWH	100	0.00718	\$ 0.72		
COST OF POWER KWH	100	0.0758	\$ 7.58		COST OF POWER KWH	100	0.0758	\$ 7.58		
CURRENT 2001 BILL			\$ 17.31		Adjusted 2002 BILL		\$ 17.86	\$ 0.55	3.2%	
MONTHLY CONSUMPTION OF 250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05		MONTHLY SERVICE CHARGE	n/a	\$ 9.56			
DISTRIBUTION KWH	250	0.0068	\$ 1.70		DISTRIBUTION KWH	250	0.00718	\$ 1.80		
COST OF POWER KWH	250	0.0758	\$ 18.95		COST OF POWER KWH	250	0.0758	\$ 18.95		
CURRENT 2001 BILL			\$ 29.70		Adjusted 2002 BILL		\$ 30.30	\$ 0.60	2.0%	
MONTHLY CONSUMPTION OF 500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05		MONTHLY SERVICE CHARGE	n/a	\$ 9.56			
DISTRIBUTION KWH	500	0.0068	\$ 3.40		DISTRIBUTION KWH	500	0.00718	\$ 3.59		
COST OF POWER KWH	500	0.0758	\$ 37.90		COST OF POWER KWH	500	0.0758	\$ 37.90		
CURRENT 2001 BILL			\$ 50.35		Adjusted 2002 BILL		\$ 51.05	\$ 0.70	1.4%	
MONTHLY CONSUMPTION OF 750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05		MONTHLY SERVICE CHARGE	n/a	\$ 9.56			
DISTRIBUTION KWH	750	0.0068	\$ 5.10		DISTRIBUTION KWH	750	0.00718	\$ 5.39		
COST OF POWER KWH	750	0.0758	\$ 56.85		COST OF POWER KWH	750	0.0758	\$ 56.85		
CURRENT 2001 BILL			\$ 71.00		Adjusted 2002 BILL		\$ 71.79	\$ 0.79	1.1%	
MONTHLY CONSUMPTION OF 1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05		MONTHLY SERVICE CHARGE	n/a	\$ 9.56			
DISTRIBUTION KWH	1000	0.0068	\$ 6.80		DISTRIBUTION KWH	1000	0.00718	\$ 7.18		
COST OF POWER KWH	1000	0.0758	\$ 75.80		COST OF POWER KWH	1000	0.0758	\$ 75.80		
CURRENT 2001 BILL			\$ 91.65		Adjusted 2002 BILL		\$ 92.54	\$ 0.89	1.0%	

MONTHLY CONSUMPTION OF
1500 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05
DISTRIBUTION KWH	1500	0.0068	\$ 10.20
COST OF POWER KWH	1500	0.0758	\$ 113.70
CURRENT 2001 BILL			\$ 132.95

	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.56		
DISTRIBUTION KWH	1500	0.00718	\$ 10.77		
COST OF POWER KWH	1500	0.0758	\$ 113.70		
Adjusted 2002 BILL			\$ 134.03	\$ 1.08	0.8%

MONTHLY CONSUMPTION OF
2000 kWh

	KWH (enter)	RATE \$/KWH	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.05
DISTRIBUTION KWH	2000	0.0068	\$ 13.60
COST OF POWER KWH	2000	0.0758	\$ 151.60
CURRENT 2001 BILL			\$ 174.25

	KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.56		
DISTRIBUTION KWH	2000	0.00718	\$ 14.36		
COST OF POWER KWH	2000	0.0758	\$ 151.60		
Adjusted 2002 BILL			\$ 175.52	\$ 1.27	0.7%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL									
1000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 19.24		
DISTRIBUTION KWH	1000	0.0041	\$ 4.10	DISTRIBUTION KWH	1000	0.00433	\$ 4.33		
COST OF POWER KWH	1000	0.0747	\$ 74.70	COST OF POWER KWH	1000	0.0747	\$ 74.70		
CURRENT 2001 BILL			\$ 97.02	Adjusted 2002 BILL			\$ 98.27	\$ 1.25	1.3%
MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 19.24		
DISTRIBUTION KWH	2000	0.0041	\$ 8.20	DISTRIBUTION KWH	2000	0.00433	\$ 8.66		
COST OF POWER KWH	2000	0.0747	\$ 149.40	COST OF POWER KWH	2000	0.0747	\$ 149.40		
CURRENT 2001 BILL			\$ 175.82	Adjusted 2002 BILL			\$ 177.30	\$ 1.48	0.8%
MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 19.24		
DISTRIBUTION KWH	5000	0.0041	\$ 20.50	DISTRIBUTION KWH	5000	0.00433	\$ 21.66		
COST OF POWER KWH	5000	0.0747	\$ 373.50	COST OF POWER KWH	5000	0.0747	\$ 373.50		
CURRENT 2001 BILL			\$ 412.22	Adjusted 2002 BILL			\$ 414.40	\$ 2.18	0.5%
MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 19.24		
DISTRIBUTION KWH	10000	0.0041	\$ 41.00	DISTRIBUTION KWH	10000	0.00433	\$ 43.31		
COST OF POWER KWH	10000	0.0747	\$ 747.00	COST OF POWER KWH	10000	0.0747	\$ 747.00		
CURRENT 2001 BILL			\$ 806.22	Adjusted 2002 BILL			\$ 809.55	\$ 3.33	0.4%
MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)				
ENTER DESIRED CONSUMPTION LEVEL									
	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 404.82	
DISTRIBUTION KW	0	1.1163	\$ -		DISTRIBUTION KW	0	1.17894	\$ -	
COST OF POWER KW	0	6.2246	\$ -		COST OF POWER KW	0	6.2246	\$ -	
COST OF POWER KWH	0	0.0526	\$ -		COST OF POWER KWH	0	0.0526	\$ -	
CURRENT 2001 BILL			\$ 383.31	Adjusted 2002 BILL			\$ 404.82	\$ 21.51	5.6%
MONTHLY CONSUMPTION 100kW, 30,000kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 404.82	
DISTRIBUTION KW	100	1.1163	\$ 111.63		DISTRIBUTION KW	100	1.17894	\$ 117.89	
COST OF POWER KW	100	6.2246	\$ 622.46		COST OF POWER KW	100	6.2246	\$ 622.46	
COST OF POWER KWH	30,000	0.0526	\$ 1,578.00		COST OF POWER KWH	30,000	0.0526	\$ 1,578.00	
CURRENT 2001 BILL			\$ 2,695.40	Adjusted 2002 BILL			\$ 2,723.17	\$ 27.77	1.0%
MONTHLY CONSUMPTION 100kW, 40,000kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 404.82	
DISTRIBUTION KW	100	1.1163	\$ 111.63		DISTRIBUTION KW	100	1.17894	\$ 117.89	
COST OF POWER KW	100	6.2246	\$ 622.46		COST OF POWER KW	100	6.2246	\$ 622.46	
COST OF POWER KWH	40,000	0.0526	\$ 2,104.00		COST OF POWER KWH	40,000	0.0526	\$ 2,104.00	
CURRENT 2001 BILL			\$ 3,221.40	Adjusted 2002 BILL			\$ 3,249.17	\$ 27.77	0.9%
MONTHLY CONSUMPTION 500kW, 100,000kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 404.82	
DISTRIBUTION KW	500	1.1163	\$ 558.15		DISTRIBUTION KW	500	1.17894	\$ 589.47	
COST OF POWER KW	500	6.2246	\$ 3,112.30		COST OF POWER KW	500	6.2246	\$ 3,112.30	
COST OF POWER KWH	#####	0.0526	\$ 5,260.00		COST OF POWER KWH	100,000	0.0526	\$ 5,260.00	
CURRENT 2001 BILL			\$ 9,313.76	Adjusted 2002 BILL			\$ 9,366.59	\$ 52.83	0.6%
MONTHLY CONSUMPTION 500kW, 250,000kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 404.82	
DISTRIBUTION KW	500	1.1163	\$ 558.15		DISTRIBUTION KW	500	1.17894	\$ 589.47	
COST OF POWER KW	500	6.2246	\$ 3,112.30		COST OF POWER KW	500	6.2246	\$ 3,112.30	
COST OF POWER KWH	#####	0.0526	\$ 13,150.00		COST OF POWER KWH	250,000	0.0526	\$ 13,150.00	
CURRENT 2001 BILL			\$ 17,203.76	Adjusted 2002 BILL			\$ 17,256.59	\$ 52.83	0.3%

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	1000	1.1163	\$ 1,116.30
COST OF POWER KW	1000	6.2246	\$ 6,224.60
COST OF POWER KWH	#####	0.0526	\$ 21,040.00

CURRENT 2001 BILL

\$ 28,764.21

Adjusted 2002 BILL

\$ 28,848.36 \$ 84.15 0.3%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
1000	1.17894	\$ 1,178.94		
1000	6.2246	\$ 6,224.60		
400,000	0.0526	\$ 21,040.00		

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	1000	1.1163	\$ 1,116.30
COST OF POWER KW	1000	6.2246	\$ 6,224.60
COST OF POWER KWH	#####	0.0526	\$ 26,300.00

CURRENT 2001 BILL

\$ 34,024.21

Adjusted 2002 BILL

\$ 34,108.36 \$ 84.15 0.2%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
1000	1.17894	\$ 1,178.94		
1000	6.2246	\$ 6,224.60		
500,000	0.0526	\$ 26,300.00		

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	3000	1.1163	\$ 3,348.90
COST OF POWER KW	3000	6.2246	\$ 18,673.80
COST OF POWER KWH	#####	0.0526	\$ 52,600.00

CURRENT 2001 BILL

\$ 75,006.01

Adjusted 2002 BILL

\$ 75,215.44 \$ 209.43 0.3%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
3000	1.17894	\$ 3,536.82		
3000	6.2246	\$ 18,673.80		
#####	0.0526	\$ 52,600.00		

MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	3000	1.1163	\$ 3,348.90
COST OF POWER KW	3000	6.2246	\$ 18,673.80
COST OF POWER KWH	#####	0.0526	\$ 78,900.00

CURRENT 2001 BILL

\$ 101,306.01

Adjusted 2002 BILL

\$ 101,515.44 \$ 209.43 0.2%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
3000	1.17894	\$ 3,536.82		
3000	6.2246	\$ 18,673.80		
#####	0.0526	\$ 78,900.00		

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	4000	1.1163	\$ 4,465.20
COST OF POWER KW	4000	6.2246	\$ 24,898.40
COST OF POWER KWH	#####	0.0526	\$ 63,120.00

CURRENT 2001 BILL

\$ 92,866.91

Adjusted 2002 BILL

\$ 93,138.98 \$ 272.07 0.3%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
4000	1.17894	\$ 4,715.76		
4000	6.2246	\$ 24,898.40		
#####	0.0526	\$ 63,120.00		

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 383.31
DISTRIBUTION KW	4000	1.1163	\$ 4,465.20
COST OF POWER KW	4000	6.2246	\$ 24,898.40
COST OF POWER KWH	#####	0.0526	\$ 94,680.00

CURRENT 2001 BILL

\$ 124,426.91

Adjusted 2002 BILL

\$ 124,698.98 \$ 272.07 0.2%

KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
n/a	n/a	\$ 404.82		
4000	1.17894	\$ 4,715.76		
4000	6.2246	\$ 24,898.40		
#####	0.0526	\$ 94,680.00		

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	100	1.1163	\$ 111.63
kW COST OF POWER			
Demand Charge	100	11.8211	\$ 1,182.11
COST OF POWER	kWh	RATE \$/kWh	
WINTER PEAK	20,000	0.0707	\$ 1,414.00
WINTER OFF PEAK	20,000	0.0422	\$ 844.00
MONTHLY SERVICE CHARGE			\$ 383.31
TOTAL			\$ 3,935.05

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.1789	\$ 117.89		
kW COST OF POWER					
Demand Charge	100	11.8211	\$ 1,182.11		
COST OF POWER	kWh	RATE \$/kWh			
WINTER PEAK	20,000	0.0707	\$ 1,414.00		
WINTER OFF PEAK	20,000	0.0422	\$ 844.00		
MONTHLY SERVICE CHARGE			\$ 404.82		
TOTAL			\$ 3,962.82	\$ 27.77	0.7%

SUMMER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	100	1.1163	\$ 111.63
kW COST OF POWER			
Demand Charge	100	0.0000	\$ -
COST OF POWER	kWh	RATE \$/kWh	
SUMMER PEAK	20,000	0.0000	\$ -
SUMMER OFF PEAK	20,000	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ 383.31
TOTAL			\$ 494.94

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.1789	\$ 117.89		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
COST OF POWER	kWh	RATE \$/kWh			
SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			\$ 404.82		
TOTAL			\$ 522.71	\$ 27.77	5.6%

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	6000	0.0000	\$ -
kW COST OF POWER			
Demand Charge	6000	0.0000	\$ -
COST OF POWER	kWh	RATE \$/kWh	
WINTER PEAK	#####	0.0000	\$ -
WINTER OFF PEAK	#####	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ -
TOTAL			\$ -

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER	kWh	RATE \$/kWh			
WINTER PEAK	#####	0.0000	\$ -		
WINTER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	6000	0.0000	\$ -
kW COST OF POWER			
Demand Charge	6000	0.0000	\$ -
COST OF POWER	kWh	RATE \$/kWh	
SUMMER PEAK	#####	0.0000	\$ -
SUMMER OFF PEAK	#####	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ -
TOTAL			\$ -

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER	kWh	RATE \$/kWh			
SUMMER PEAK	#####	0.0000	\$ -		
SUMMER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Port Colborne Hydro Inc
Kay Anderson
kandersn@niagara.com

LICENCE NUMBER
PHONE NUMBER

ED-1999-0069
(905) 835-0051

1
25-Jan-02

This schedule allows LDCs to input the calculated value for the 2001 PILs Deferral Account. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2001 PILs Deferral Account.

\$128,498

✓ per Decision

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs deferral amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS		63,207,673	7,976	\$1,296,006	52.08%	\$66,920
GENERAL SERVICE <50 KW CLASS		29,526,028	1,052	\$351,066	14.11%	\$18,127
GENERAL SERVICE >50 KW NON TIME OF USE	294,607		89	\$738,915	29.69%	\$38,154
GENERAL SERVICE >50 KW TIME OF USE					0.00%	\$0
INTERMEDIATE USE	4,518		5,635	\$75,561	3.04%	\$3,902
LARGE USER CLASS					0.00%	\$0
STREET LIGHTS	60		29	\$543	0.02%	\$28
STREET LIGHTING CLASS	5,477		1,938	\$26,472	1.06%	\$1,367
TOTALS				\$2,488,562	1.00	\$128,498
						\$128,498

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.328	0.672	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	\$ 21,916.60	\$ 45,003.39	\$ 66,919.99
(B) RETAIL KWH	63,207,673		
(C) NUMBER OF CUSTOMERS		7,976	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000347		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.4702	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PIEs Estimate REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2001 PIEs Estimate (Total in Cell G27 above)	\$ 5,936.84	\$ 12,190.66	\$ 18,127.49
(B) RETAIL KWH	29,526,028		
(C) NUMBER OF CUSTOMERS		1,052	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000201		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.9657	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PIEs Estimate REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2001 PIEs Estimate (Total in Cell G28 above)	\$ 19,077.14	\$ 19,077.14	\$ 38,154.27
RETAIL KW	294,607		
(C) NUMBER OF CUSTOMERS		89	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.064755		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$17.8625	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PIEs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2001 PIEs Estimate (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.064755		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$17.8625	

Standby Service

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.136	0.864	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above)	\$ 528.93	\$ 3,372.70	\$ 3,901.63
(B) RETAIL KW	4,518		
(C) CONNECTED KW		5,635	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.117072		
(E) ADDITIONAL MONTHLY STANDBY CHARGE (A)/(C)/12 (this amount is added to the Standby Charge shown on Sheet 4 and the total new Standby Charge appears on the Rate Schedule on Sheet 7)		\$0.0499	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	\$ 9.18	\$ 18.85	\$ 28.03
(B) RETAIL KW	60		
(C) NUMBER OF CUSTOMERS		29	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.153708
 (this amount is added to the kW rate shown on Sheet 4 and
 the total new rate appears on the Rate Schedule on Sheet 7)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0542
 (this amount is added to the Service Charge shown on Sheet 4 and
 the total new Service Charge appears on the Rate Schedule on Sheet 7)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
0.328	0.672	100%

(A) ALLOCATED 2001 PILs Estimate \$ 447.66 \$ 919.22 \$ 1,366.88
 (Total in Cell G33 above)

(B) RETAIL KW 5,477

(C) NUMBER OF CUSTOMERS (Connections) 1,938

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.081735
 (this amount is added to the kW rate shown on Sheet 4 and
 the total new rate appears on the Rate Schedule on Sheet 7)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.0395
 (this amount is added to the Service Charge shown on Sheet 4 and
 the total new Service Charge appears on the Rate Schedule on Sheet 7)

SHEET 7 - 2002 Rate Schedule including 2001 PILs Deferral Account Estimate Adder

NAME OF UTILITY Port Colborne Hydro Inc.
NAME OF CONTACT Kay Anderson
Mail Address kandersn@niagara.com
VERSION NUMBER 1
Date 25-Jan-02

LICENCE NUMBER ED-1999-0069
PHONE NUMBER (905) 835-0051

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd installment of 1/3 Incremental MARR and 2001 PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.00753
MONTHLY SERVICE CHARGE (Per Customer) \$10.02782
COST OF POWER KWH RATE \$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.00453
MONTHLY SERVICE CHARGE (Per Customer) \$20.20554
COST OF POWER KWH RATE \$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.24369
MONTHLY SERVICE CHARGE (Per Customer) \$422.68047
OF POWER KW RATE \$6.224600
COST OF POWER KWH RATE \$0.052600

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$1.24369

MONTHLY SERVICE CHARGE (Per Customer) \$422.68047

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$11.8211	\$0.0000	\$0.0707	\$0.0422	\$0.0000	\$0.0000

STANDBY SERVICE

DISTRIBUTION KW RATE \$0.55184

MONTHLY STANDBY CHARGE (Per kW) \$1.20101

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.0500	\$9.0200	\$0.0707	\$0.0422	\$0.0597	\$0.0313

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.79960

MONTHLY SERVICE CHARGE (Per Connection) \$1.24760

COST OF POWER KW RATE \$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.00000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.77798

MONTHLY SERVICE CHARGE (Per Connection) \$0.84219

COST OF POWER KW RATE \$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.00000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00000	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Port Colborne Hydro Inc.	LICENCE NUMBER
NAME OF CONTACT	Kay Anderson	PHONE NUMBER
E-mail Address	kandersn@niagara.com	
VERSION NUMBER	1	
Date	25-Jan-02	

This schedule allows LDCs to input the calculated value for the 2002 PILs Proxy Estimate. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2002 PILs Proxy

\$509,290 + \$1,099 OEB adjustment

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in the table below. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares
RESIDENTIAL CLASS	-	63,207,673	7,976	\$1,296,006	52.08%
GENERAL SERVICE <50 KW CLASS	-	29,526,028	1,052	\$351,066	14.11%
GENERAL SERVICE >50 KW NON TIME OF USE	294,607	-	89	\$738,915	29.69%
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0	0.00%
INTERMEDIATE USE	4,518	-	5,635	\$75,561	3.04%
LARGE USER CLASS	0	-	-	\$0	0.00%
STREET LIGHTS	60	-	29	\$543	0.02%
STREET LIGHTING CLASS	5,477	-	1,938	\$26,472	1.06%
TOTALS				\$2,488,562	1.00

\$510,389
= entitlement
approved by
Board

265,810.59
72,015.89
151,534.49
15,515.83
102.08
5410.12

\$510,389.00

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.328	0.672	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	\$ 86,864.19	\$ 178,366.30	\$ 265,230.49
	87,195.87	178,624.72	265,810.59
(B) RETAIL KWH	63,207,673		
(C) NUMBER OF CUSTOMERS		7,976	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.001374		
	001379		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$1.8636	
		1.8663	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	\$ 23,530.04	\$ 48,316.41	\$ 71,846.44
	23,621.21	48,394.68	72,015.89
(B) RETAIL KWH	29,526,028		
(C) NUMBER OF CUSTOMERS		1,052	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.000797 0.00080		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$3.8273 3.8335	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	\$ 75,610.27	\$ 75,610.27	\$ 151,220.54
	75,767.25	75,767.25	151,534.49
RETAIL KW	294,607		
(C) NUMBER OF CUSTOMERS	25718	89	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.256648 0.0006		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$70.7961 70.9431	0.147

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.256648		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$70.7961	

Standby Service*Intermediate*

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.136	0.864	100%
(A) ALLOCATED 2002 PILs (Total in Cell G30 above)	\$ 2,096.36	\$ 13,367.33	\$ 15,463.69
	2,110.15	13,405.68	15,515.83
(B) RETAIL KW	4,518		
(C) CONNECTED KW		5,635	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	A .00305 \$0.464002 46705		
(E) ADDITIONAL MONTHLY STANDBY CHARGE (A)/(C)/12 (this amount is added to the Standby Charge shown on Sheet 7 and the total new Standby Charge appears on the Rate Schedule on Sheet 9)		\$0.1977 19825	.0005

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	\$ 36.39	\$ 74.72	\$ 111.10
	33.48	68.60	102.08
(B) RETAIL KW	60		
(C) NUMBER OF CUSTOMERS			

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.609207
 (this amount is added to the kW rate shown on Sheet 7 and
 the total new rate appears on the Rate Schedule on Sheet 9) **.5580**

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$0.2147
 (this amount is added to the Service Charge shown on Sheet 7 and
 the total new Service Charge appears on the Rate Schedule on Sheet 9) **.1971**

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.328	0.672	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	\$ 1,774.25	\$ 3,643.24	\$ 5,417.50
(B) RETAIL KW	1774.52 5,477	3635.60	5410.12
(C) NUMBER OF CUSTOMERS (Connections)		1,938	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.323946 .32394		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.1567 .15633	

ED-1999-0069

71835-0051

2001.

each class.

2002 PILs Estimate Allocations
\$265,230
\$71,846
\$151,221
\$0
\$15,464
\$0
\$111
\$5,417
\$509,290
\$509,290

SHEET 9 - 2002 Rate Schedule including 2001 and 2002 PILs Estimate Adders

NAME OF UTILITY	Port Colborne Hydro Inc.	LICENCE NUMBER	ED-1999-0069
NAME OF CONTACT	Kay Anderson	PHONE NUMBER	(905) 835-0051
Mail Address	kandersn@niagara.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transition costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00890
MONTHLY SERVICE CHARGE (Per Customer)	\$11.89139
COST OF POWER KWH RATE	\$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.00533
MONTHLY SERVICE CHARGE (Per Customer)	\$24.03289
COST OF POWER KWH RATE	\$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.50034
MONTHLY SERVICE CHARGE (Per Customer)	\$493.47661
COST OF POWER KW RATE	\$6.224600
COST OF POWER KWH RATE	\$0.052600

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$1.50034

MONTHLY SERVICE CHARGE (Per Customer) \$493.47661

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$11.8211	\$0.0000	\$0.0707	\$0.0422	\$0.0000	\$0.0000

STANDBY SERVICE

DISTRIBUTION KW RATE \$1.01584

MONTHLY SERVICE CHARGE (Per Customer) \$1.39871

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.0500	\$9.0200	\$0.0707	\$0.0422	\$0.0597	\$0.0313

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.40881

MONTHLY SERVICE CHARGE (Per Connection) \$1.46230

COST OF POWER KW RATE \$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.00000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.10193

MONTHLY SERVICE CHARGE (Per Connection) \$0.99885

COST OF POWER KW RATE \$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$0.00000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

\$	96.59	\$	4.94	5.4%
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**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.05	MONTHLY SERVICE CHARGE	n/a	n/a	\$	11.89
DISTRIBUTION KWH	1500	0.0068	\$	10.20	DISTRIBUTION KWH	1500	0.00890	\$	13.35
COST OF POWER KWH	1500	0.0758	\$	113.70	COST OF POWER KWH	1500	0.0758	\$	113.70
CURRENT 2001 BILL			\$	132.95	Adjusted 2002 BILL		\$	138.95	\$ 6.00 4.5%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.05	MONTHLY SERVICE CHARGE	n/a	n/a	\$	11.89
DISTRIBUTION KWH	2000	0.0068	\$	13.60	DISTRIBUTION KWH	2000	0.00890	\$	17.81
COST OF POWER KWH	2000	0.0758	\$	151.60	COST OF POWER KWH	2000	0.0758	\$	151.60
CURRENT 2001 BILL			\$	174.25	Adjusted 2002 BILL		\$	181.30	\$ 7.05 4.0%

GENERAL SERVICE < 50 KW

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 incremental MARR, 2001 & 2002 PILs)

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$	24.03
DISTRIBUTION KWH	1000	0.0041	\$	4.10	DISTRIBUTION KWH	1000	0.00533	\$	5.33
COST OF POWER KWH	1000	0.0747	\$	74.70	COST OF POWER KWH	1000	0.0747	\$	74.70
CURRENT 2001 BILL			\$	97.02	Adjusted 2002 BILL		\$	104.06	\$ 7.04 7.3%

**MONTHLY CONSUMPTION
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$	24.03
DISTRIBUTION KWH	2000	0.0041	\$	8.20	DISTRIBUTION KWH	2000	0.00533	\$	10.66
COST OF POWER KWH	2000	0.0747	\$	149.40	COST OF POWER KWH	2000	0.0747	\$	149.40
CURRENT 2001 BILL			\$	175.82	Adjusted 2002 BILL		\$	184.09	\$ 8.27 4.7%

**MONTHLY CONSUMPTION
5000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$	24.03
DISTRIBUTION KWH	5000	0.0041	\$	20.50	DISTRIBUTION KWH	5000	0.00533	\$	26.65
COST OF POWER KWH	5000	0.0747	\$	373.50	COST OF POWER KWH	5000	0.0747	\$	373.50
CURRENT 2001 BILL			\$	412.22	Adjusted 2002 BILL		\$	424.18	\$ 11.96 2.9%

**MONTHLY CONSUMPTION
10,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	18.22	MONTHLY SERVICE CHARGE	n/a	n/a	\$	24.03
DISTRIBUTION KWH	10000	0.0041	\$	41.00	DISTRIBUTION KWH	10000	0.00533	\$	53.29
COST OF POWER KWH	10000	0.0747	\$	747.00	COST OF POWER KWH	10000	0.0747	\$	747.00
CURRENT 2001 BILL			\$	806.22	Adjusted 2002 BILL		\$	824.33	\$ 18.11 2.2%

**MONTHLY CONSUMPTION
20,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
--	----------------	----------------	--------------	--	-----	----------------	--------------	-------------------	-------------

MONTHLY CONSUMPTION 500kW, 250,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	500	1.1163	\$ 558.15		KW	500	1.50034	\$ 750.17	
COST OF POWER					COST OF POWER				
KW	500	6.2246	\$ 3,112.30		KW	500	6.2246	\$ 3,112.30	
COST OF POWER					COST OF POWER				
KWH	250,000	0.0526	\$ 13,150.00		KWH	250,000	0.0526	\$ 13,150.00	
CURRENT 2001 BILL			\$ 17,203.76	Adjusted 2002 BILL			\$ 17,505.95	\$ 302.19	1.8%

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	1000	1.1163	\$ 1,116.30		KW	1000	1.50034	\$ 1,500.34	
COST OF POWER KW	1000	6.2246	\$ 6,224.60		COST OF POWER KW	1000	6.2246	\$ 6,224.60	
COST OF POWER KWH	400,000	0.0526	\$ 21,040.00		COST OF POWER KWH	400,000	0.0526	\$ 21,040.00	
CURRENT 2001 BILL			\$ 28,764.21	Adjusted 2002 BILL			\$ 29,258.42	\$ 494.21	1.7%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	1000	1.1163	\$ 1,116.30		KW	1000	1.50034	\$ 1,500.34	
COST OF POWER KW	1000	6.2246	\$ 6,224.60		COST OF POWER KW	1000	6.2246	\$ 6,224.60	
COST OF POWER KWH	500,000	0.0526	\$ 26,300.00		COST OF POWER KWH	500,000	0.0526	\$ 26,300.00	
CURRENT 2001 BILL			\$ 34,024.21	Adjusted 2002 BILL			\$ 34,518.42	\$ 494.21	1.5%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	3000	1.1163	\$ 3,348.90		KW	3000	1.50034	\$ 4,501.03	
COST OF POWER KW	3000	6.2246	\$ 18,673.80		COST OF POWER KW	3000	6.2246	\$ 18,673.80	
COST OF POWER KWH	1,000,000	0.0526	\$ 52,600.00		COST OF POWER KWH	#####	0.0526	\$ 52,600.00	
CURRENT 2001 BILL			\$ 75,006.01	Adjusted 2002 BILL			\$ 76,268.30	\$ 1,262.29	1.7%

MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	3000	1.1163	\$ 3,348.90		KW	3000	1.50034	\$ 4,501.03	
COST OF POWER KW	3000	6.2246	\$ 18,673.80		COST OF POWER KW	3000	6.2246	\$ 18,673.80	
COST OF POWER KWH	1,500,000	0.0526	\$ 78,900.00		COST OF POWER KWH	#####	0.0526	\$ 78,900.00	
CURRENT 2001 BILL			\$ 101,306.01	Adjusted 2002 BILL			\$ 102,568.30	\$ 1,262.29	1.2%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	4000	1.1163	\$ 4,465.20		KW	4000	1.50034	\$ 6,001.37	
COST OF POWER KW	4000	6.2246	\$ 24,898.40		COST OF POWER KW	4000	6.2246	\$ 24,898.40	
COST OF POWER KWH	1,200,000	0.0526	\$ 63,120.00		COST OF POWER KWH	#####	0.0526	\$ 63,120.00	
CURRENT 2001 BILL			\$ 92,866.91	Adjusted 2002 BILL			\$ 94,513.24	\$ 1,646.33	1.8%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 383.31		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 493.48	
KW	4000	1.1163	\$ 4,465.20		KW	4000	1.50034	\$ 6,001.37	
COST OF POWER KW	4000	6.2246	\$ 24,898.40		COST OF POWER KW	4000	6.2246	\$ 24,898.40	
COST OF POWER KWH	1,800,000	0.0526	\$ 94,680.00		COST OF POWER KWH	#####	0.0526	\$ 94,680.00	
CURRENT 2001 BILL			\$ 124,426.91	Adjusted 2002 BILL			\$ 126,073.24	\$ 1,646.33	1.3%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	100	1.1163	\$ 111.63
kW COST OF POWER			
Demand Charge	100	11.8211	\$ 1,182.11
		RATE \$/kWh	
COST OF POWER	kWh		
WINTER PEAK	20,000	0.0707	\$ 1,414.00
WINTER OFF PEAK	20,000	0.0422	\$ 844.00
MONTHLY SERVICE CHARGE			\$ 383.31
TOTAL			\$ 3,935.05

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.5003	\$ 150.03		
kW COST OF POWER					
Demand Charge	100	11.8211	\$ 1,182.11		
		RATE \$/kWh			
COST OF POWER	kWh				
WINTER PEAK	20,000	0.0707	\$ 1,414.00		
WINTER OFF PEAK	20,000	0.0422	\$ 844.00		
MONTHLY SERVICE CHARGE			\$ 493.48		
TOTAL			\$ 4,083.62	\$ 148.57	3.8%

SUMMER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	100	1.1163	\$ 111.63
kW COST OF POWER			
Demand Charge	100	0.0000	\$ -
		RATE \$/kWh	
COST OF POWER	kWh		
SUMMER PEAK	20,000	0.0000	\$ -
SUMMER OFF PEAK	20,000	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ 383.31
TOTAL			\$ 494.94

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.5003	\$ 150.03		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER	kWh				
SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			\$ 493.48		
TOTAL			\$ 643.51	\$ 148.57	30.0%

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	6000	0.0000	\$ -
kW COST OF POWER			
Demand Charge	6000	0.0000	\$ -
		RATE \$/kWh	
COST OF POWER	kWh		
WINTER PEAK	1,500,000	0.0000	\$ -
WINTER OFF PEAK	1,500,000	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ -
TOTAL			\$ -

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER	kWh				
WINTER PEAK	#####	0.0000	\$ -		
WINTER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION kW	6000	0.0000	\$ -
kW COST OF POWER			
Demand Charge	6000	0.0000	\$ -
		RATE \$/kWh	
COST OF POWER	kWh		
SUMMER PEAK	1,500,000	0.0000	\$ -
SUMMER OFF PEAK	1,500,000	0.0000	\$ -
MONTHLY SERVICE CHARGE			\$ -
TOTAL			\$ -

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER	kWh				
SUMMER PEAK	#####	0.0000	\$ -		
SUMMER OFF PEAK	1,500,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY

Port Colborne Hydro Inc.

LICENCE NUMBER

ED-1999-0069

NAME OF CONTACT

Kay Anderson

PHONE NUMBER

(905) 835-0051

Mail Address

kandersn@niagara.com

VERSION NUMBER

1

Date

25-Jan-02

This schedule allows LDCs to input the Applied for Value for a Z-Factor.

The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

\$

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.

The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	63,207,673	7,976	\$1,296,006	52.08%	\$ -
GENERAL SERVICE <50 KW CLASS	-	29,526,028	1,052	\$351,066	14.11%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	294,607	-	89	\$738,915	29.69%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0	0.00%	\$ -
INTERMEDIATE USE	4,518	-	5,635	\$75,561	3.04%	\$ -
LARGE USER CLASS	0	-	-	\$0	0.00%	\$ -
STREET LIGHTS	60	-	29	\$543	0.02%	\$ -
STREET LIGHTING CLASS	5,477	-	1,938	\$26,472	1.06%	\$ -
TOTALS				\$2,488,562	1.00	\$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
Percentage	Percentage	
0.328	0.672	100%

(A) ALLOCATED 2002 Z-Factor
(Total in Cell G26 above)

\$ - \$ - \$ -

(B) RETAIL KWH

63,207,673

(C) NUMBER OF CUSTOMERS

7,976

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B)
(this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)

\$0.000000

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12
(this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)

\$0.0000

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.328	0.672	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	29,526,028		
(C) NUMBER OF CUSTOMERS		1,052	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.500	0.500	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	294,607		
NUMBER OF CUSTOMERS		89	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

Standby Service

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.136	0.864	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	4,518		
(C) CONNECTED KW		5,635	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY STANDBY CHARGE (A)/(C)/12 (this amount is added to the Standby Charge shown on Sheet 9 and the total new Standby Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.328	0.672	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	60		
(C) NUMBER OF CUSTOMERS		29	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and		\$0.0000	

the total new Service Charge appears on the Rate Schedule on Sheet 12)

Streetlighting Class

if you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
0.328	0.672	100%

(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	\$	-	\$	-	\$	-
----------------------------------------------------------	----	---	----	---	----	---

(B) RETAIL KW	5,477
---------------	-------

(C) NUMBER OF CUSTOMERS (Connections)	1,938
---------------------------------------	-------

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)	\$0.0000
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------

SHEET 12 - 2002 Rate Schedule including 2001/2002 PILs Estimate and Z-Factor Adders

NAME OF UTILITY	Port Colborne Hydro Inc.	LICENCE NUMBER	ED-1999-0069
NAME OF CONTACT	Kay Anderson	PHONE NUMBER	(905) 835-0051
Email Address	kandersn@niagara.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00890
MONTHLY SERVICE CHARGE (Per Customer)	\$11.89139
COST OF POWER KWH RATE	\$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.00533
MONTHLY SERVICE CHARGE (Per Customer)	\$24.03289
COST OF POWER KWH RATE	\$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.50034
MONTHLY SERVICE CHARGE (Per Customer)	\$493.47661
COST OF POWER KW RATE	\$6.224600
COST OF POWER KWH RATE	\$0.052600

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$1.50034

MONTHLY SERVICE CHARGE (Per Customer) \$493.47661

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$11.8211	\$0.0000	\$0.0707	\$0.0422	\$0.0000	\$0.0000

STANDBY SERVICE

DISTRIBUTION KW RATE \$1.01584

MONTHLY STANDBY CHARGE (Per kW) \$1.39871

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.0500	\$9.0200	\$0.0707	\$0.0422	\$0.0597	\$0.0313

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.40881

MONTHLY SERVICE CHARGE (Per Connection) \$1.46230

COST OF POWER KW RATE \$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE \$0.00000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.10193

MONTHLY SERVICE CHARGE (Per Connection) \$0.99885

COST OF POWER KW RATE \$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$0.00000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Port Colborne Hydro Inc	LICENCE NUMBER	ED-1999-0069
NAME OF CONTACT	Kay Anderson	PHONE NUMBER	(905) 835-0051
Mail Address	kandersn@niagara.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for Transition Costs by the 10 cost categories shown in Article 480 of the APH Handbook. These categories are:

- | | |
|-----------------------------------------|--------------------------|
| 1 Billing Activities | 6 Staff Adjustmen |
| 2 Customer Education Services | 7 Regulatory Cost |
| 3 Wholesale Market Requirements | 8 Taxes |
| 4 IMO Requirements | 9 Regulatory Req |
| 5 Retailer/Customer Requirements | 10 Other |

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown. If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs:

\$138,703

Transition Cost Category	1	Allocation	2	Allocation	3	Allocation
Total	\$79,475					
RESIDENTIAL CLASS	\$41,389	52.08%	\$ -	52.08%	\$ -	52.08%
GENERAL SERVICE <50 KW CLASS	\$11,212	14.11%	\$ -	14.11%	\$ -	14.11%
GENERAL SERVICE >50 KW NON TIME OF USE	\$23,598	29.69%	\$ -	29.69%	\$ -	29.69%
GENERAL SERVICE >50 KW TIME OF USE	\$0	0.00%	\$ -	0.00%	\$ -	0.00%
INTERMEDIATE USE	\$2,413	3.04%	\$ -	3.04%	\$ -	3.04%
LARGE USER CLASS	\$0	0.00%	\$ -	0.00%	\$ -	0.00%
SENTINEL LIGHTS	\$17	0.02%	\$ -	0.02%	\$ -	0.02%
STREET LIGHTING CLASS	\$845	1.06%	\$ -	1.06%	\$ -	1.06%
TOTALS		100.00%		100.00%		100.00%

	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery	
2001 Statistics by Class	kW					
RESIDENTIAL CLASS	-	63,207,673	7,976	\$1,296,006	52.08%	\$72,235
GENERAL SERVICE <50 KW CLASS	-	29,526,028	1,052	\$351,066	14.11%	\$19,567
GENERAL SERVICE >50 KW NON TIME OF USE	294,607	-	89	\$738,915	29.69%	\$41,184
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0	0.00%	\$0
INTERMEDIATE USE	4,518	-	5,635	\$75,561	3.04%	\$4,211
LARGE USER CLASS	0	-	-	\$0	0.00%	\$0
SENTINEL LIGHTS	60	-	29	\$543	0.02%	\$30
STREET LIGHTING CLASS	5,477	-	1,938	\$26,472	1.06%	\$1,475
TOTALS				\$2,488,562	1.00	\$138,703
						\$138,703

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
Percentage	Percentage	
0.328	0.672	100%

A) ALLOCATED 2002 Transition Costs
(Total in Cell G42 above)

\$ 23,657.19 \$ 48,577.51 \$ 72,234.70

(B) RETAIL KWH	63,207,873
(C) NUMBER OF CUSTOMERS	7,976
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000374
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)	\$0.5075

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.328	0.672	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	\$ 6,408.33	\$ 13,158.82	\$ 19,567.16
(B) RETAIL KWH	29,526,028		
(C) NUMBER OF CUSTOMERS		1,052	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000217		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$1.0424	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.500	0.500	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	\$ 20,592.22	\$ 20,592.22	\$ 41,184.44
(B) RETAIL KW	294,607		
(C) NUMBER OF CUSTOMERS		89	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.069897		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$19.2811	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs	\$ -	\$ -	\$ -

(Total in Cell G45 above)

(B) RETAIL KW

0

(C) NUMBER OF CUSTOMERS

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.0699

(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 \$19.2811

(this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)

Standby Service

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
0.136	0.864	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above) \$ 570.94 \$ 3,640.55 \$ 4,211.49

(B) RETAIL KW 4,518

(C) CONNECTED KW 5,635

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.126370

(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY STANDBY CHARGE (A)/(C)/12 \$0.0538

(this amount is added to the Standby Charge shown on Sheet 12 and the total new Standby Charge appears on the Rate Schedule on Sheet 14)

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
0.000	1.000	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above) \$ - \$ - \$ -

(B) RETAIL KW 0

(C) NUMBER OF CUSTOMERS

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!

(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!

(this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)

Line Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
-------------------------------	------------------------------	------------------------------------------

	Percentage	Percentage	
	0.328	0.672	100%
ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	\$ 9.91	\$ 20.35	\$ 30.26
(B) RETAIL KW	60		
(C) NUMBER OF CUSTOMERS		29	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.165916		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0585	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.328	0.672	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	\$ 483.21	\$ 992.23	\$ 1,475.44
(B) RETAIL KW	5,477		
(C) NUMBER OF CUSTOMERS (Connections)		1,938	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.088226		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0427	

Requirements

4 Allocation		\$5 Allocation		6 Allocation		7 Allocation		8 Allocation		9 Allocation		10
\$	-	52.08%	\$30,845	52.08%	\$	-	52.08%	\$	-	52.08%	\$	-
\$	-	14.11%	\$8,355	14.11%	\$	-	14.11%	\$	-	14.11%	\$	-
\$	-	29.69%	\$17,586	29.69%	\$	-	29.69%	\$	-	29.69%	\$	-
\$	-	0.00%	\$0	0.00%	\$	-	0.00%	\$	-	0.00%	\$	-
\$	-	3.04%	\$1,798	3.04%	\$	-	3.04%	\$	-	3.04%	\$	-
\$	-	0.00%	\$0	0.00%	\$	-	0.00%	\$	-	0.00%	\$	-
\$	-	0.02%	\$13	0.02%	\$	-	0.02%	\$	-	0.02%	\$	-
\$	-	1.06%	\$630	1.06%	\$	-	1.06%	\$	-	1.06%	\$	-
		100.00%		100.00%			100.00%			100.00%		

Allocation	Total	
		\$138,703
52.08%		\$72,235
14.11%		\$19,567
29.69%		\$41,184
0.00%		\$0
3.04%		\$4,211
0.00%		\$0
0.02%		\$30
1.06%		\$1,475
100.00%		
		\$138,703

SHEET 14 - 2002 Rate Schedule including 2001/2002 PILs Estimate, Z-Factor & Transition Cost Adders

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Port Colborne Hydro Inc.
Kay Anderson
kandersn@niagara.com
1
25-Jan-02

LICENCE NUMBER ED-1999-0069
PHONE NUMBER (905) 835-0051

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd installment of 1/3 Incremental MARR, the 2001 PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0093
MONTHLY SERVICE CHARGE (Per Customer)	\$12.3989
COST OF POWER KWH RATE	\$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0055
MONTHLY SERVICE CHARGE (Per Customer)	\$25.0753
COST OF POWER KWH RATE	\$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.5702	+ .0006	= 1.5708	= approved rate
MONTHLY SERVICE CHARGE (Per Customer)	\$512.7577	+ .147	= 512.91	= approved rate
OF POWER KW RATE	\$6.224600			
OST OF POWER KWH RATE	\$0.052600			

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.5702						
THLY SERVICE CHARGE (Per Customer)	\$512.7577						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$11.8211	\$0.0000	\$0.0707	\$0.0422	\$0.0000	\$0.0000	

STANDBY SERVICE

DISTRIBUTION KW RATE	\$1.1422	+ .00365	= 1.14585	approved 1.1432			
MONTHLY STANDBY CHARGE (Per kW)	\$1.4526	+ .0005	= 1.4531	approved 1.45			
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$12.0500	\$9.0200	\$0.0707	\$0.0422	\$0.0597	\$0.0313	

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!						
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!						
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.5747
MONTHLY SERVICE CHARGE (Per Connection)	\$1.4623
COST OF POWER KW RATE	\$23.2617

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0000		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.1902
MONTHLY SERVICE CHARGE (Per Connection)	\$1.0415
COST OF POWER KW RATE	\$23.2526

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
----------------------	----------

MONTHLY SERVICE CHARGE (Per Connection)	\$0.0000
-----------------------------------------	----------

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

2002 OEB DECISION

Ontario Energy
Board
P.O. Box 2319
28th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie
de l'Ontario
C.P. 2318
28e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

2002 March 20

Dave Reeves
General Manager, Secretary-Treasurer
Port Colborne Hydro Inc
380 Elm Street
P.O. Box 36
Port Colborne, ON
L3K 5V7

Dear Mr. Reeves:

Re: Port Colborne Hydro Inc
Market Adjusted Rate of Return (MARR) Application
Board File No. RP-2002-0098/EB-2002-0107

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

Peter H. O'Dell
Assistant Board Secretary

RECEIVED
MAR 21 2002



RP-2002-0098
EB-2002-0107

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 Port
Colborne Hydro Inc. for an order or orders approving
or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

DECISION AND ORDER

On December 21, 2001 the Ontario Energy Board (the "Board") issued filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. Supplemental instructions were issued on January 18, 2002.

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

On August 20, 2001, the Corporation of the City of Port Colborne, Port Colborne Hydro Inc., Canadian Niagara Power Inc. (CNPI), and Canadian Niagara Power Company Limited filed an application with the Board seeking leave, pursuant to subsection 86(1) of the *Ontario Energy Board Act, 1998*, for Port Colborne Hydro Inc. to lease to Canadian Niagara Power Inc., for ten years, all of the electricity distribution assets owned by Port Colborne Hydro Inc. and located within the City of Port Colborne, under the terms and conditions of the Master Implementation Agreement and Lease Agreement dated July 19, 2001. This Application is currently before the Board.

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective March 1, 2002 and providing the opportunity for ratepayers to participate in the proceeding or comment on the utility's application. In response to the Board's generic Notice, the Board received a total of 148 submissions in the form of a letter, facsimile, or e-mail. The total may be apportioned to the following four categories:

- 100 were copies of a template submission seeking an oral hearing, wanting to make oral submissions, claiming that rates are not just and reasonable. Another 9 were of the same template but indicated they did not wish to make an oral submission.
- 10 indicated that there should be an oral hearing and wanted to make a submission.
- 11 indicated that there should be an oral hearing but did not wish to make an oral submission.
- 18 made substantive submissions.

In some cases the submission named a specific electricity distributor, in other cases it did not. The Applicant was not named in any of the submissions.

By letter dated February 11, 2002 the Board directed electricity distributors to serve the Notice to the municipal corporation in the distributors' service area. No submissions were received.

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.
- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), \$159,214.
- the 2001 deferred Payments in Lieu of Taxes (PILs), \$128,498.
- the 2002 Payments in Lieu of Taxes (PILs), \$509,290.
- an interim transition cost recovery of \$138,703 incurred by CNPI on behalf of the Applicant.

Copies of the Application and supporting material are available for review at the Board's offices.

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that "the rates are not just and reasonable" and that they "would like the opportunity to present to the Board on this matter".

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario's electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board's jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario's electricity system in the future. These are not relevant to the Board's duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

The Board adjusts the Applicant's proposals for the following reason. The 2002 capital cost allowance was recalculated using a declining balance. As a result,

- the 2002 Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an understatement of \$1,099.

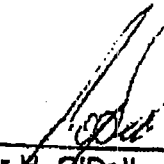
Subject to this adjustment, the Board finds that the Applicant's proposals conform with the Board's earlier decisions, directives and guidelines and the resulting rates are just and reasonable.

THE BOARD ORDERS THAT:

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

DATED at Toronto, March 20, 2002.

ONTARIO ENERGY BOARD




Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0098
EB-2002-0107

March 20, 2002

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Port Colborne Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0098
EB-2002-0107

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

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

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.40
Distribution Volumetric Rate	(per kWh)	\$0.0093
Cost of Power Rate	(per kWh)	\$0.0758

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0055
Cost of Power Rate	(per kWh)	\$0.0747

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.5708
Cost of Power Demand Rate	(per kW)	\$6.2246
Cost of Power Energy Rate	(per kWh)	\$0.0526

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.5708
Cost of Power - Winter Peak	(per kW)	\$11.8211
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0707
Cost of Power - Winter Off Peak	(per kWh)	\$0.0422
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

**Port Colborne Hydro Inc.
Schedule of Rates and Charges
Effective March 1, 2002**

RP-2002-0098
EB-2002-0107

STANDBY SERVICE

Monthly Standby Charge	(per kW)	\$1.45	FIXED VARIABLE
Distribution Volumetric Rate	(per kW)	\$1.1432	
Cost of Power - Winter Peak	(per kW)	\$12.0500	
Cost of Power - Summer Peak	(per kW)	\$9.0200	
Cost of Power - Winter Peak	(per kWh)	\$0.0707	
Cost of Power - Winter Off Peak	(per kWh)	\$0.0422	
Cost of Power - Summer Peak	(per kWh)	\$0.0597	
Cost of Power - Summer Off Peak	(per kWh)	\$0.0313	

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.46
Distribution Volumetric Rate	(per kW)	\$3.5760
Cost of Power Demand Rate	(per kW)	\$23.2617

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.04
Distribution Volumetric Rate	(per kW)	\$2.1909
Cost of Power Demand Rate	(per kW)	\$23.2526

UN-METERED SCATTERED LOADS

Un-metered scattered loads include traffic lights, telephone booths, cable amplifiers and radio antennae. Energy usage is based on connected load estimates. Charges per account are as follows:

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0055
Cost of Power Rate	(per kWh)	\$0.0747

SPECIFIC SERVICE CHARGES

Transformer

Losses: adjustment shall be made in accordance with Section IV, clause 7 of the Standard Application of Rates until replaced by the Transformer Loss provisions in the Rate Handbook.

Allowance for Ownership: (per kW of billing demand)
service at less than 115 kv (per kW)

\$0.60

2004 RAM MODEL

SHEET 1 - December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY
NAME OF CONTACT
Address
TELEPHONE NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@torlontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 945-7818

Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)

Description	Account Number	Applied-for Amount Balance as at Dec. 31, 2002
RSVA - Wholesale Market Service Charge	1580	\$257,560
RSVA - Retail Transmission Network Charge	1584	-\$119,950
RSVA - Retail Transmission Connection Charge	1586	\$14,829
RSVA - Power	1588	-\$294,144
Sub-Total		-\$141,705
RSVA - One-time Wholesale Market Service	1582	
Other Regulatory Assets	1508	\$0
Retail Cost Variance Account - Retail	1518	\$0
Retail Cost Variance Account - STR	1548	\$0
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$0
Deferred Payments in Lieu of Taxes	1562	\$17,818
PILs Contra Account	1563	\$0
Qualifying Transition Costs	1570	\$0
Pre-Market Opening Energy Variances Total	1571	\$969,272
Pre-Market Opening Energy Variances - 2001		\$303,810
Pre-Market Opening Energy Variances - 2002		\$141,689
Ordinary Event Losses		\$162,121
Deferred Rate Impact Amounts	1572	\$146,811
Other Deferred Credits	1574	\$0
	2425	\$0
Total Applied-for Regulatory Assets		(a) \$1,296,006
(1) Total of 4 RSVA Accounts		(b) -\$141,705 Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)		-10.9%
(2) 25 % of (a)		(c) \$324,002
If (b) is greater than (c) go to Section 1		
If (b) is less than (c) go to Section 2		

Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)	\$324,002	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	\$353,456	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	-\$465,707	Ignore minus sign

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)

\$324,002 Approved for 2004 Rate Recovery

Final 4 RSVA Amount as shown at (b)

-\$141,705

Gross Up for Recovery over 11 months: Amount (b) x 12/11

Enter this amount on Sheet 3

Interim Amount to be recovered (c) - (b)

(d)

\$465,707

Gross Up for Recovery over 11 months: Amount (d) x 12/11

Enter this amount on Sheet 5

Total Final + Interim Amount for Recovery (b) + (d) (no gross up)

\$324,002

Rate Implementation

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

Check Box
Yes or No

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

SHEET 2 - 2002 Base Rate Schedule

V1

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 945-7818

Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.
This is the version of the model that was used to determine your current OEB approved rate schedule.
(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates).
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	\$9.56

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0043
MONTHLY SERVICE CHARGE (Per Customer)	\$19.24

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.1789
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.1789
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

CONTINENTAL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.6459
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.6962
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$1.6962
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.

Please enter these charges exactly as they are entered on your current approved rate schedule.
Please add your own specific charges as necessary.

New Account Setup	\$	8.80
Change of Occupancy	\$	8.80
porary Boat Hook-up Charge (per KW of service capacity)	\$	2.00
	\$	-
	\$	-
Arrear's Certificate	\$	10.70
Late Payment		1.50%
Returned Cheque - Actual Bank Charges plus	\$	13.50
Collection of Account Charge	\$	9.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	17.60
At Meter - After Hours	\$	-
Temporary Pole Service	\$	-
After Hours High Voltage Station Outage	\$	-
Residential Service 2nd Visit to Connect New Service	\$	-
Residential Service After Hours Visit to Connect New Service	\$	-
Diversity Adjustment Credit (per KW)	Winter	\$ -
(discontinued at Market Opening)	Summer	\$ -

SHEET 3 - Calculating Rate Increases using 2002 LDC Data and adding the 4 major 2004 RSVA related Approved

NAME OF UTILITY
NAME OF CONTACT
Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER
PHONE NUMBER
ED-1999-0160
(905) 945-7818

This schedule requires LDCs to input the 2002 statistics which will be used to allocate Regulatory Assets related to the 4 major RSVA accounts. The 4 RSVA related accounts will be allocated to the customer classes on the basis of kWh sales.

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72.

If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regulatory Assets applied for, enter the additional interim approved amount on Sheet 5.

\$ (154,587.27)

Use the Table below to enter the 2002 statistics for your LDC.

The share of class kWh sold in 2002 is used to allocate the approved final Regulatory Asset amounts related to the 4 major RSVA accounts.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS	-	64,568,605	8,096	\$1,548,278.00	35.1%	\$ (54,333.42)
GENERAL SERVICE <50 KW CLASS	-	27,096,318	1,042	\$423,890.00	14.7%	\$ (22,801.11)
GENERAL SERVICE >50 KW NON TIME OF USE	295,125	90,990,759	78	\$1,224,743.00	49.5%	\$ (76,567.23)
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	50	93,361	19	\$867.00	0.1%	\$ (78.56)
STREET LIGHTING CLASS	5,365	958,966	1,938	\$41,377.00	0.5%	\$ (806.95)
TOTALS		183,708,009	11,173	\$3,239,155.00	1.00	\$ (154,587.27)
				Allocated Total for 4 major RSVA accounts ==>		\$ (154,587.27)

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	\$ (54,333.42)	\$ -	\$ (54,333.42)
(B) RETAIL kWh in 2002	64,568,605		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B); (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.000841)		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery	\$ (22,801.11)	\$ -	\$ (22,801.11)

(Total in Cell G23 above)

(B) RETAIL kWh in 2002

27,096,318

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (\$0.000841)

(this amount is added to the kWh rate shown on Sheet 2 and
a new rate appears on the Rate Schedule on Sheet 4)

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above)	\$ (76,567.23)	\$ -	\$ (76,567.23)
(B) RETAIL KW in 2002	295,125		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.259440)		

General Service >50kW Class TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	\$ (78.56)	\$ -	\$ (78.56)
(B) RETAIL KW in 2002	50		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$1.571235)		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G29 above)	\$ (806.95)	\$ -	\$ (806.95)
(B) RETAIL KW in 2002	5,365		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	(\$0.150411)		

Regulatory Assets

SHEET 4 - 2004 Rates including 2004 Recovery of the 4 Major RSVA Accounts

NAME OF UTILITY
NAME OF CONTACT
Bill Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 945-7818

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of the 4 major RSVA accounts.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0064
MONTHLY SERVICE CHARGE (Per Customer)	\$9.56

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.0008
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0035
MONTHLY SERVICE CHARGE (Per Customer)	\$19.24

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.9195
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.0747
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	-	\$1.5712
MONTHLY SERVICE CHARGE (Per Connection)		\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE		\$1.5458
MONTHLY SERVICE CHARGE (Per Connection)		\$0.80

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE		\$1.5458
MONTHLY SERVICE CHARGE (Per Connection)		\$0.80

SHEET 5 - Calculating Rate Increases using 2002 LDC Data and additional Interim Regulatory Assets

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER
PHONE NUMBER
ED-1999-0160
(905) 945-7818

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate interim approved Regulatory Asset amounts required to achieve the 25% threshold. (If the 4 major RSVA accounts do not total to 25% or more of total Regulatory Assets applied for.)

The interim Regulatory Assets will be allocated to the customer classes on the basis of distribution revenue.

Enter the Interim Regulatory Asset recovery from Sheet 1 at cell D76.

\$ 508,043.45

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS	-	64,568,605	8,096	\$1,548,278.00	47.8%	\$ 242,838.80
GENERAL SERVICE <50 KW CLASS	-	27,096,318	1,042	\$423,890.00	13.1%	\$ 66,484.79
GENERAL SERVICE >50 KW NON TIME OF USE	295,125	90,990,759	78	\$1,224,743.00	37.8%	\$ 192,094.13
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	50	93,361	19	\$867.00	0.0%	\$ 135.98
STREET LIGHTING CLASS	5,365	958,966	1,938	\$41,377.00	1.3%	\$ 6,489.75
TOTALS		183,708,009	11,173	\$3,239,155.00	1.00	\$ 508,043.45
				Allocated Total for additional interim amounts ==>		\$ 508,043.45

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	\$ 242,838.80	\$ -	\$ 242,838.80
(B) RETAIL kWh in 2002	64,568,605		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.003761		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery	\$ 66,484.79	\$ -	\$ 66,484.79

(Total in Cell G23 above)

(B) RETAIL kWh in 2002

27,096,318

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B)
this amount is added to the kWh rate shown on Sheet 2 and
a new rate appears on the Rate Schedule on Sheet 4)

\$0.002454

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	\$ 192,094.13	\$ -	\$ 192,094.13
(B) RETAIL KW in 2002	295,125		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.650891		

General Service >50kW Class TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery 100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery 100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G28 above)	\$ 135.98	\$ -	\$ 135.98
(B) RETAIL KW in 2002	50		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$2.719683		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery 100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G29 above)	\$ 6,489.75	\$ -	\$ 6,489.75
(B) RETAIL KW in 2002	5,365		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$1.209646		

SHEET 6 - 2004 Rates including 2004 Recovery of Interim Regulatory Asset Amounts

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 945-7818

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of interim Regulatory Asset Amounts if required to achieve the 25% Regulatory Asset threshold.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0101
MONTHLY SERVICE CHARGE (Per Customer)	\$9.56

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0029
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0059
MONTHLY SERVICE CHARGE (Per Customer)	\$19.24

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.5704
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.7943
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$1.1484
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.7554
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$2.7554
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

SHEET 7 - Calculating Rate Increases using 2002 LDC Data and the 2004 PILs Proxy

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER
PHONE NUMBER
ED-1999-0160
(905) 945-7818

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate the 2004 PILs proxy amount.
The PILs proxy amount is the same amount used for the PILs proxy in 2002.

The 2004 PILs Proxy will be allocated to the customer classes on the basis of distribution revenue.

Enter the 2002 PILs proxy amount as approved by the OEB in 2002 and shown on your 2002 RAM model at Sheet 8.

\$ 509,290.00

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	64,568,605	8,096	\$1,548,278.00	47.8%	\$ 243,434.63
GENERAL SERVICE <50 KW CLASS	-	27,096,318	1,042	\$423,890.00	13.1%	\$ 66,647.92
GENERAL SERVICE >50 KW NON TIME OF USE	295,125	90,990,759	78	\$1,224,743.00	37.8%	\$ 192,565.46
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	50	93,361	19	\$867.00	0.0%	\$ 136.32
STREET LIGHTING CLASS	5,365	958,966	1,938	\$41,377.00	1.3%	\$ 6,505.68
TOTALS		183,708,009	11,173	\$3,239,155.00	1.00	\$ 509,290.00
				Allocated Total for additional interim amounts ==>		\$ 509,290.00

Residential Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above)	\$ 243,434.63	\$ -	\$ 243,434.63
(B) RETAIL kWh in 2002	64,568,605		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B): (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.003770		

General Service <50kW Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(4) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G23 above)	\$ 66,647.92	\$ -	\$ 66,647.92

(B) RETAIL kWh in 2002

27,096,318

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B)
(this amount is added to the kWh rate shown on Sheet 2 and
the total new rate appears on the Rate Schedule on Sheet 4)

\$0.002460

General Service >50kW Class Non TOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G24 above)	\$ 192,565.46	\$ -	\$ 192,565.46

(B) RETAIL KW in 2002

295,125

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B)
(this amount is added to the kW rate shown on Sheet 2 and
the total new rate appears on the Rate Schedule on Sheet 4)

\$0.652488

General Service >50kW Class TOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -

(B) RETAIL KW in 2002

0

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B)
(this amount is added to the kW rate shown on Sheet 2 and
the total new rate appears on the Rate Schedule on Sheet 4)

#DIV/0!

Intermediate Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G26 above)	\$ -	\$ -	\$ -

(B) RETAIL KW in 2002

0

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B)
(this amount is added to the kW rate shown on Sheet 2 and
the total new rate appears on the Rate Schedule on Sheet 4)

#DIV/0!

User Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2004 ALLOCATED PILs Proxy Recovery 100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2004 ALLOCATED PILs Proxy Recovery 100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G28 above)	\$ 136.32	\$ -	\$ 136.32
(B) RETAIL KW in 2002	50		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$2.726356		

Lighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage 1.000	SERVICE CHARGE RECOVERY Percentage 0.000	TOTAL 2004 ALLOCATED PILs Proxy Recovery 100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G29 above)	\$ 6,505.68	\$ -	\$ 6,505.68
(B) RETAIL KW in 2002	5,365		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$1.212614		

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY
NAME OF CONTACT
Mailing Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER ED-1999-0160
PHONE NUMBER (905) 945-7818

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of 2004 PILs.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0139
MONTHLY SERVICE CHARGE (Per Customer)	\$9.56

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0067
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0084
MONTHLY SERVICE CHARGE (Per Customer)	\$19.24

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.2228
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$404.82

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.5207
MONTHLY SERVICE CHARGE (Per Connection)	\$1.19

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$3.8748
THLY SERVICE CHARGE (Per Connection)	\$0.00

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.9680
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$3.9680
MONTHLY SERVICE CHARGE (Per Connection)	\$0.80

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY
NAME OF CONTACT
Mail Address
VERSION NUMBER
Date

Canadian Niagara Power Inc. - Port Colborne
Timothy B. Curtis
tim.curtis@fortisontario.com
1
23-Jan-04

LICENCE NUMBER
PHONE NUMBER

ED-1999-0160
(905) 945-7818

This sheet adjusts the resulting fixed Monthly Service Charge to maintain the charge at current levels.
The kWh distribution rate is then adjusted to maintain revenue neutrality in the class.

Input the current approved Monthly Service Charge in the following table at Column E.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Current Approved Fixed Charge
RESIDENTIAL CLASS	-	64,568,605	8,096	\$12.40
GENERAL SERVICE <50 KW CLASS	-	27,096,318	1,042	\$25.08
GENERAL SERVICE >50 KW NON TIME OF USE	295,125	90,990,759	78	\$512.91
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$512.91
INTERMEDIATE USE	0	0	0	\$0.00
LARGE USER CLASS	0	0	0	\$0.00
SENTINEL LIGHTS	50	93,361	19	\$1.46
STREET LIGHTING CLASS	5,365	958,966	1,938	\$1.04
TOTALS		183,708,009	11,173	

Residential Class

Revenue from Current Monthly Service Charge		\$1,204,685	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$928,773	
Difference		\$275,912	
Variable Rate Adjustment			
Adjusted Variable Rate	\$/kWh	\$ 0.0043	
	\$/kWh		\$ 0.0096

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		\$1,204,685	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$928,773	
Difference		\$275,912	
Variable Rate Adjustment			
Adjusted Variable Rate	\$/kWh	\$ 0.0043	
	\$/kWh		\$ 0.0024

General Service <50 kW Class

Revenue from Current Monthly Service Charge		\$313,600	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$240,577	
Difference		\$73,023	
Variable Rate Adjustment			
Adjusted Variable Rate	\$/kWh	\$ 0.0027	
	\$/kWh		\$ 0.0057

General Service >50 kW Class (Non Time of Use)

Revenue from Current Monthly Service Charge		\$480,084	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$378,912	
Difference		\$101,172	

Variable Rate Adjustment	\$/kW	\$	0.3428	
Adjusted Variable Rate	\$/kW			\$ 1.8800

General Service >50 kW Class (Time of Use)

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!	
Adjusted Variable Rate	\$/kW		#DIV/0!

General Service Intermediate Use Class

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!	
Adjusted Variable Rate	\$/kW		#DIV/0!

General Service Large Use Class

Revenue from Current Monthly Service Charge	\$0
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$0

Variable Rate Adjustment	\$/kW	#DIV/0!	
Adjusted Variable Rate	\$/kW		#DIV/0!

Sentinal Lights (Non Time of Use)

Revenue from Current Monthly Service Charge	\$333
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$271
Difference	\$62

Variable Rate Adjustment	\$/kW	1.2312	
Adjusted Variable Rate	\$/kW		\$ 5.2895

OR

Sentinal Lights (Time of Use)

Revenue from Current Monthly Service Charge	\$333
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$0
Difference	\$333

Variable Rate Adjustment	\$/kW	6.6576	
Adjusted Variable Rate	\$/kW		\$ (2.7828)

Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge	\$24,186
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$18,605
Difference	\$5,581

Variable Rate Adjustment	\$/kW	1.0403	
Adjusted Variable Rate	\$/kW		\$ 2.9277

OR

Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge	\$24,186
Revenue from Calculated Monthly Service Charge (Sheet 8)	\$18,605

Difference

\$5,581

Variable Rate Adjustment

\$/kW

1.04

Adjusted Variable Rate

\$/kW

\$ 2.9277

Canadian Niagara Power Inc. - Port Colborne
Schedule of Distribution Rates and Charges

Effective April 1, 2004 until February 28, 2005

RP-2004-0086

EB-2004-0072

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.40
Distribution Volumetric Rate	(per kWh)	\$0.0096

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0057

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.8800

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.8800

STANDBY CHARGE

Monthly Service Charge	(per month)	\$1.45
Distribution Volumetric Rate	(per kW)	\$1.1432

UNMETERED SCATTERED LOADS

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0057

Canadian Niagara Power Inc. - Port Colborne
Schedule of Distribution Rates and Charges
 Effective April 1, 2004 until February 28, 2005
 (continued)

RP-2004-0086
 EB-2004-0072

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.46
Distribution Volumetric Rate	(per kW)	\$5.2895

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$1.04
Distribution Volumetric Rate	(per kW)	\$2.9277

SPECIFIC SERVICE CHARGES

New Account Setup		
Change of Occupancy	\$	8.80
	\$	8.80
Temporary Boat Hook-up Charge (per KW of service capacity)	\$	2.00
Arrear's Certificate		
Late Payment	\$	10.70
Returned Cheque - Actual Bank Charges plus		1.50%
Collection of Account Charge	\$	13.50
	\$	9.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	17.60

2004 OEB DECISION

Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

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



March 15, 2004

Doug Bradbury
Director, Regulatory Affairs
Canadian Niagara Power Inc.
1130 Bertie Street
P.O. Box 1218
Fort Erie ON
L2A 5Y2

Dear Mr. Bradbury:

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

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

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0086
EB-2004-0072

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 Canadian
Niagara Power Inc. for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate

evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.
- 2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 15, 2004

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read 'P. O'Dell', written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

Interim Rates
Canadian Niagara Power Inc. - Port Colborne
Schedule of Changed Distribution Rates and Charges

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

RP-2004-0086
EB-2004-0072

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.40
Distribution Volumetric Rate	(per kWh)	\$0.0096

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0057

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.8800

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$512.91
Distribution Volumetric Rate	(per kW)	\$1.8800

STANDBY CHARGE

Monthly Service Charge	(per month)	\$1.45
Distribution Volumetric Rate	(per kW)	\$1.1432

UNMETERED SCATTERED LOADS

Monthly Service Charge	(per month)	\$25.08
Distribution Volumetric Rate	(per kWh)	\$0.0057

SENTINAL LIGHTS

Monthly Service Charge	(per connection)	\$1.46
Distribution Volumetric Rate	(per kW)	\$5.2895

STREET LIGHTING

Monthly Service Charge	(per connection)	\$1.04
Distribution Volumetric Rate	(per kW)	\$2.9277

2005 RAM MODEL

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	
Name of Contact:	Douglas Bradbury	RP-2005-0013
E-Mail Address:	doug.bradbury@cnpower.com	EB-2005-0014
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM. Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	\$0.0072
Monthly Service Charge (Per Customer)	\$9.56

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0043
Monthly Service Charge (Per Customer)	\$19.24

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.1789
Monthly Service Charge (Per Customer)	\$404.82

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

Distribution KW Rate

Monthly Service Charge (Per Customer)

LARGE USE

Distribution KW Rate

Monthly Service Charge (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

\$2.6459

\$1.19

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

\$1.6962

\$0.80

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E-Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Enter the final MARR installment calculated in the 2001 RUD Model \$ 159,214.00

Have you applied for approval of your C&DM plan? Yes

Enter the amount applied for your C&DM plan \$159,214.00

Has the C&DM application been approved? No

Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount) \$ 159,214.00

Grossed-up MARR based on 14 months recovery over 13 months. \$ 171,461.23

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
 1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
 You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class						
General Service < 50 KW Class		61,189,705	7,875	\$1,271,315	55.76%	\$95,615
General Service > 50 KW Non-Time of Use		27,588,805	1,069	\$346,840	15.21%	\$26,086
General Service > 50 KW Time of Use	284,305		69	\$634,750	27.84%	\$47,739
Intermediate Use					0.00%	\$0
Class User					0.00%	\$0
Street Lighting	77		29	\$585	0.03%	\$44
	5,365		1,938	\$26,292	1.15%	\$1,977
TOTALS	289,747	88,778,510	10,980	\$2,279,782	100.00%	\$171,461
Grossed-up MARR Value =====>						\$171,461

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			\$95,615
(B) Fixed-Variable Split (%)	32.8%	67.2%	100%
(C) Re-Allocated MARR (\$)	\$31,362	\$64,253	\$95,615
(D) Number of kWh	61,189,705		
(E) Number of Customers		7,875	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0005		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.6799	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$26,086
(B) Fixed-Variable Split (%)	32.8%	67.2%	100%
(C) Re-Allocated MARR (\$)	\$8,556	\$17,530	\$26,086
(D) Number of kWh	27,588,805		
(E) Number of Customers		1,069	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0003		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.3665	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$47,739
(B) Fixed-Variable Split (%)	50.0%	50.0%	100%
(C) Re-Allocated MARR (\$)	\$23,870	\$23,870	\$47,739
(D) Number of kW	284,305		
(E) Number of Customers		69	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.0840		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$28.8280	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$44
(B) Fixed-Variable Split (%)	32.8%	67.2%	100%
(C) Re-Allocated MARR (\$)	\$14	\$30	\$44
(D) Number of kW	77		
(E) Number of Customers		29	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1874		
Incremental Monthly Service Charge (C)/(E)/12		\$0.0850	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$1,977
(B) Fixed-Variable Split (%)	32.8%	67.2%	100%
(C) Re-Allocated MARR (\$)	\$649	\$1,329	\$1,977
(D) Number of kW	5,365		
(E) Number of Customers		1,938	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1209		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0571	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Residential Class

DISTRIBUTION KWH RATE	\$0.0077
MONTHLY SERVICE CHARGE (Per Customer)	\$10.24

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

General Service < 50 KW

DISTRIBUTION KWH RATE	\$0.0046
MONTHLY SERVICE CHARGE (Per Customer)	\$20.61

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	\$1.2629
MONTHLY SERVICE CHARGE (Per Customer)	\$433.65

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

Intermediate Use

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Large Use

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE \$2.8333

MONTHLY SERVICE CHARGE (Per Connection) \$1.27

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE \$1.8171

MONTHLY SERVICE CHARGE (Per Connection) \$0.86

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E-Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount

\$ 299,527.00

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2004 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2004 Distribution Shares	2005 PILs Proxy Allocation
Residential Class						
General Service < 50 KW Class		59,006,050	8,128	\$1,456,571	47.0%	\$140,669
General Service > 50 KW Non-Time of Use		26,683,111	1,123	\$410,152	13.2%	\$39,611
General Service > 50 KW Time of Use	295,125	88,292,535	82	\$1,201,379	38.7%	\$116,023
Intermediate Use					0.0%	\$0
Large Class User					0.0%	\$0
Sentinel Lights	50	4,413	19	\$443	0.0%	\$0
Street Lighting	5,380	1,850,798	1,938	\$32,943	1.1%	\$3,181
TOTALS		175,836,907	11,290	\$3,101,488	1.00	\$299,527
				2005 PILs Proxy Amount =		\$299,527

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$140,669
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$140,669	\$0	\$140,669
(D) Number of kWh	59,006,050		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0024		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$39,611
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$39,611	\$0	\$39,611
(D) Number of kWh	26,683,111		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0015		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$116,023
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$116,023	\$0	\$116,023
(D) Number of kW	295,125		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.3931		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Mediate Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$43
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$43	\$0	\$43
(D) Number of kW	50		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.8557		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$3,181
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$3,181	\$0	\$3,181
(D) Number of kW	5,380		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.5914		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0101
MONTHLY SERVICE CHARGE (Per Customer)	\$10.24

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0061
MONTHLY SERVICE CHARGE (Per Customer)	\$20.61

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.6560
MONTHLY SERVICE CHARGE (Per Customer)	\$433.65

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.6890

MONTHLY SERVICE CHARGE (Per Connection) \$1.27

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.4084

MONTHLY SERVICE CHARGE (Per Connection) \$0.86

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 6 - December 31, 2004 Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

LDCs should enter their December 3, 2003 balances for each regulatory asset account.
 In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10.
 In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied- for Balance as at Dec. 31, 2004
RSVA - Wholesale Market Service Charge	1580	\$293,713
RSVA - One-time Wholesale Market Service	1582	\$26,976
RSVA - Retail Transmission Network Charge	1584	-\$714,503
RSVA - Retail Transmission Connection Charge	1586	-\$468,724
RSVA - Power	1588	\$0
Sub-Total for RSVA Accounts		\$862,539
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		-\$154,587
Adjusted 2005 Recovery Amount (RSVA Accounts)		-\$707,952
Other Regulatory Assets	1508	
Retail Cost Variance Account - Retail	1518	
Retail Cost Variance Account - STR	1548	
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$13,818
Deferred Payments in Lieu of Taxes	1562	
<i>PILs Contra Account</i>	1563	
Qualifying Transition Costs	1570	\$1,221,451
Pre-Market Opening Energy Variances Total	1571	\$379,790
Extra-Ordinary Event Losses	1572	\$147,811
Deferred Rate Impact Amounts	1574	
Other Deferred Credits	2425	
Sub-Total for Non-RSVA Regulatory Asset Accounts		\$1,762,871
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		\$508,043
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		\$1,254,827
Total Adjusted Regulatory Assets		\$546,875
33% of Total Adjusted Regulatory Assets		\$182,291.76

SHEET 6 - December 31, 2004 Regulatory Assets

----- Please go to Section 2 -----

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:

Total Adjusted Balance for RSVA Accounts	(a)	N/A
33% of Total Adjusted Regulatory Assets	(b)	N/A
Remaining Final Amount to be recovered in future periods (a) - (b)		N/A

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:

33% OF Total Adjusted Regulatory Assets	\$182,292
Total Adjusted Balance for RSVA Accounts	-\$707,952
Amount to be collected from RSVA Accounts	\$707,952
Amount to be collected from Non-RSVA accounts	\$890,244

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

☒ YES ☐ NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

☐ YES ☐ NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	
Date:	January 17, 2005	Extension:

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ (707,951.91)

The share of class kWh sold in 2004 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2004 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2004 kWh Shares	2004 RSVA Allocations
Residential Class						
General Service < 50 KW Class	0	59,006,050	8,128	\$1,456,571	33.6%	-\$237,569
General Service > 50 KW Non-Time of Use	0	26,683,111	1,123	\$410,152	15.2%	-\$107,431
General Service > 50 KW Time of Use	295,125	88,292,535	82	\$1,201,379	50.2%	-\$355,482
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	0	0	0	\$0	0.0%	\$0
Street Lighting	50	4,413	19	\$443	0.0%	-\$18
TOTALS	5,380	1,850,798	1,938	\$32,943	1.1%	-\$7,452
	175,836,907		11,290	\$3,101,488.00	1.00	-\$707,952
				Allocated Total for RSVA accounts =====>		-\$707,952

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			-\$237,569
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$237,569	\$0	-\$237,569
(D) Number of kWh	59,006,050		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0040		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			-\$107,431
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$107,431	\$0	-\$107,431
(D) Number of kWh	26,683,111		
(E) Incremental Distribution kWh Rate (\$/kWh)	-\$0.0040		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	-\$355,482	\$0	-\$355,482
(D) Number of kW	295,125		
(E) Incremental Distribution kW Rate (\$/kW)	-\$1.2045		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)			-\$18
(C) Re-Allocated RSVA (\$)	100%	0%	100%
(D) Number of kW	50		
(E) Incremental Distribution kW Rate (\$/kW)	-\$0.3554		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			
(B) Fixed-Variable Split (%)			-\$7,452
(C) Re-Allocated RSVA (\$)	100%	0%	100%
(D) Number of kW	5,380		
(E) Incremental Distribution kW Rate (\$/kW)	-\$1.3851		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2)

\$ 890,243.67

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2004 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2004 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class						
General Service < 50 KW Class	0	59,006,050	8,128	\$1,456,571	47.0%	\$418,091
General Service > 50 KW Non-Time of Use	0	26,683,111	1,123	\$410,152	13.2%	\$117,729
General Service > 50 KW Time of Use	295,125	88,292,535	82	\$1,201,379	38.7%	\$344,841
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	0	0	0	\$0	0.0%	\$0
Street Lighting	50	4,413	19	\$443	0.0%	\$127
TOTALS	5,380	1,850,798	1,938	\$32,943	1.1%	\$9,456
		175,836,907	11,290	\$3,101,488	1.00	\$890,244
				Allocated Total for Non-RSVA accounts		\$890,244

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$418,091
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$418,091	\$0	\$418,091
(D) Number of kWh	59,006,050		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0071		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$117,729
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$117,729	\$0	\$117,729
(D) Number of kWh	26,683,111		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0044		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$344,841
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$344,841	\$0	\$344,841
(D) Number of kW	295,125		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.1685		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$127
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$127	\$0	\$127
(D) Number of kW	50		
(E) Incremental Distribution kW Rate (\$/kW)	\$2.5432		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2004 RSVA Allocation
(A) Allocated RSVA			\$9,456
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$9,456	\$0	\$9,456
(D) Number of kW	5,380		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.7576		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0132

MONTHLY SERVICE CHARGE (Per Customer) \$10.24

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE

MONTHLY SERVICE CHARGE (Per Customer)

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0065

MONTHLY SERVICE CHARGE (Per Customer) \$20.61

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.6199

MONTHLY SERVICE CHARGE (Per Customer) \$433.65

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

INTERMEDIATE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

LARGE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$5.8768

MONTHLY SERVICE CHARGE (Per Connection) \$1.27

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.7810

MONTHLY SERVICE CHARGE (Per Connection) \$0.86

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Canadian Niagara Power Inc. (Port Colborne)	2005.V1.1
License Number:	ED-2002-0572	RP-2005-0013
Name of Contact:	Douglas Bradbury	EB-2005-0014
E- Mail Address:	doug.bradbury@cnpower.com	
Phone Number:	(905)994-3634	Extension:
Date:	January 17, 2005	

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery
- Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class	
General Service < 50 KW Class	
General Service > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	

Canadian Niagara Power Inc. (Port Colborne)
RP-2005-0013 EB-2005-0014
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.24
Distribution Volumetric Rate	(per kWh)	\$0.0132

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$20.61
Distribution Volumetric Rate	(per kWh)	\$0.0065

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$433.65
Distribution Volumetric Rate	(per kW)	\$1.6199

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

INTERMEDIATE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

LARGE USE

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.27
Distribution Volumetric Rate	(per kW)	\$5.8768

Canadian Niagara Power Inc. (Port Colborne)
RP-2005-0013 EB-2005-0014
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.86
Distribution Volumetric Rate	(per kW)	\$2.7810

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

UNMETERED SCATTERED LOADS

Monthly Service Charge	(per month)	\$20.55
Distribution Volumetric Rate	(per kW)	\$0.0064

STANDBY CHARGE

Monthly Service Charge	(per kW)	\$1.45
Distribution Volumetric Rate	(per kW)	\$1.1432

2005 APPROVED PILS MODEL

"FINAL"

SECTION 93 PILs TAX GROSS-UP		PROXY CALCULATION FOR 2005		PILS2005.V1.1	
REGULATORY INFORMATION (REGINFO)					
Utility Name:		CANADIAN NIAGARA POWER Inc. (Port Colborne Operations)			
File Number:		RP-2005-0013			
		EB-2005-0014			
Reporting period:		January 1, 2005 - December 31, 2005			
Days in reporting period:		365			
Total days in the calendar year:		365			
BACKGROUND					
1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)		NO			
2. Please identify the percentage used to allocate the exemption.					
3. Please explain the basis of the allocation if the percentage is other than 100%.					
4. Accounting Year End		31-Dec-05			
MARR NO TAX CALCULATIONS FROM SHEET #7 FINAL 2001 RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)					
Rate base (wires-only)		\$10,728,080.00			
Common Equity Ratio (CER)		50.00%			
1-CER		50.00%			
Target Return On Equity (%)		9.88%			
Debt rate		7.25%			
				Regulatory Income	
Market Adjusted Revenue Requirement		\$918,860			
1999 return from RUD Sheet #7		\$441,219		\$441,219	
Total Incremental revenue		\$477,641			
		<i>Based on Board's Decision (RP-2000-0069)</i>		<i>Board-Approved Amounts</i>	
Amount allowed in 2001, Year 1		\$159,214		\$211,450	
Amount allowed in 2002, Year 2		\$159,214		\$159,214	
Amount allowed in 2003, Year 3		\$159,214		\$159,214	
Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)		\$0		\$0	
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet					
Total Regulatory Income				\$971,096	
Equity		\$5,364,040			
Return at target ROE		\$529,967			
Debt		\$5,364,040			
Deemed interest amount in EBIT		\$388,893			

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: CANADIAN NIAGARA POWER Inc. (Port Colborne)				
Reporting Period: January 1, 2005 - December 31, 2005				
Days in Reporting Period: 365				
Total days in the calendar year: 365			\$	
I) CORPORATE INCOME TAXES				
Regulatory Net Income		1	\$971,096	
BOOK TO TAX ADJUSTMENTS				
Additions:				
Depreciation & Amortization		2	\$554,616	
Employee Benefit Plans - Accrued, Not Paid		3	\$0	
Tax reserves deducted in prior year		4	\$0	
Reserves from financial statements-end of year		4	\$0	
Regulatory Adjustments		5	\$0	
Other Additions				
"Material" Items		6	\$0	
Other Additions		6	\$0	
"Material" Items		6	\$0	
Other Additions		6	\$0	
Deductions:				
Capital Cost Allowance and CEC		7	\$349,339	
Employee Benefit Plans - Paid Amounts		8	\$0	
Items Capitalized for Regulatory Purposes		9	\$0	
Regulatory Adjustments		10	\$0	
Interest Expense Deemed		11	\$388,893	
Tax reserves claimed in current year		4	\$0	
Reserves from F/S beginning of year		4	\$0	
Contributions to deferred income plans		3	\$0	
Contributions to pension plans		3	\$0	
Interest capitalized for accounting but deducted for tax		11	\$0	
Other Deductions				
"Material" Items		12	\$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan		12	\$23,349	
Material Items		12	\$0	
Other Deductions		12	\$0	
REGULATORY TAXABLE INCOME			\$764,131	
CORPORATE INCOME TAX RATE				
Deemed %		13	27.50%	
REGULATORY INCOME TAX			\$210,136	
Taxable Income x Rate				
Miscellaneous Tax Credits		14	\$0	
Total Regulatory Income Tax			\$210,136	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: CANADIAN NIAGARA POWER Inc. (Port Colborne)				
Reporting Period: January 1, 2005 - December 31, 2005				
Days in Reporting Period: 365				
Total days in the calendar year: 365			\$	
Percentage used to determine the exemptions for capital tax and large corporations tax			0%	
II) CAPITAL TAXES				
<i>Ontario</i>				
Rate Base	15		\$10,728,080	
Less: Exemption	16		\$7,500,000	
Deemed Taxable Capital			\$3,228,080	
Rate (.3%)	17		0.3000%	
Net Amount (Taxable Capital x Rate)			\$9,684	
<i>Federal (LCT)</i>				
Base	18		\$10,728,080	
Less: Exemption	19		\$50,000,000	
Deemed Taxable Capital			\$0	
Rate (.175%)	20		0.1750%	
Gross Amount (Taxable Capital x Rate)			\$0	
Less: Federal Surtax	21		\$0	
Net LCT			\$0	
III) INCLUSION IN RATES				
Income Tax Rate used for gross-up			27.50%	
Income Tax (grossed-up)	22		\$289,843	
LCT (grossed-up)	23		\$0	
Ontario Capital Tax	24		\$9,684	
Total S. 93 PILs Rate Adjustment (Enter this amount in the 2005 RAM, Sheet #4, cell G14)		25	\$299,527	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	\$0 to \$400,000	\$400,001 to \$1,128,000	> \$1,128,000
<i>Income Tax Rate</i>	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	\$7,500,000		
Federal Large Corporations Tax Exemption	\$50,000,000		

2005 OEB DECISION

**Ontario Energy
Board**
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'Énergie
de l'Ontario**
C.P. 2319
26e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

March 29, 2005

Peter Senese
Director
Port Colborne Hydro Inc.
c/o Canadian Niagara Power Inc.
1130 Bertie Street
Fort Erie ON
L2A 5Y2

Dear Mr. Senese:

**Re: 2005 Electricity Distribution Rates
Board Decision and Order
Board File No. RP-2005-0013\EB-2005-0014**

The Board has now issued its Decision and Order for the above referenced proceeding and a copy is enclosed

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary



RP-2005-0013
EB-2005-0014

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
Canadian Niagara Power Inc. - Port Colborne
Service Territory for an order or orders approving or
fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

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

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

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

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

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

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: \$ 159,214

2005 PILs Proxy: \$ 299,527

Regulatory Assets Second Tranche: \$ 182,292

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree

that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.
- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 29, 2005

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0014

March 29, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Port Colborne Hydro Inc.
Schedule of Changed Distribution Rates and Charges

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

RP-2005-0013

EB-2005-0014

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.24
Distribution Volumetric Rate	(per kWh)	\$0.0132

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$20.61
Distribution Volumetric Rate	(per kWh)	\$0.0065

GENERAL SERVICE > 50 KW (Non-Time of Use)

Monthly Service Charge	(per month)	\$433.65
Distribution Volumetric Rate	(per kW)	\$1.6199

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$433.65
Distribution Volumetric Rate	(per kW)	\$1.6199

STANDBY CHARGE

Monthly Service Charge	(per month)	\$1.45
Distribution Volumetric Rate	(per kW)	\$1.1432

UNMETERED SCATTERED LOAD

Monthly Service Charge	(per month)	\$20.61
Distribution Volumetric Rate	(per kWh)	\$0.0065

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	\$1.27
Distribution Volumetric Rate	(per kW)	\$5.8768

STREET LIGHTING

Monthly Service Charge	(per connection)	\$0.86
Distribution Volumetric Rate	(per kW)	\$2.7810

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

MARCH 2002 – FEBRUARY 2004 PILS RECOVERIES

2002 Rate Year

Effective Date
Conclusion Date

Mar. 1, 2002
Feb. 29, 2004

Rate Class	Q4 2001 PILS Portion		2002 PILS Portion	
	Fixed	Variable	Fixed	Variable
Residential	\$ 0.4702	\$ 0.000347	\$ 1.8663	\$ 0.001379
General Service < 50 kW	\$ 0.9657	\$ 0.000201	\$ 3.8335	\$ 0.000800
General Service > 50 kW	\$ 17.8625	\$ 0.064755	\$ 70.9431	\$ 0.257180
Stand By / Intermediate	\$ 0.0499	\$ 0.117072	\$ 0.1983	\$ 0.467050
Sentinel Lights	\$ 0.0542	\$ 0.153708	\$ 0.1971	\$ 0.558000
Street Lights	\$ 0.0395	\$ 0.081735	\$ 0.1563	\$ 0.323990

Customer Counts

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	7,992	7,993	7,995	7,994	7,993	7,996	7,995	7,997	8,013	8,023
General Service < 50 kW	1,039	1,039	1,041	1,042	1,042	1,040	1,041	1,042	1,042	1,042
General Service > 50 kW	77	77	77	77	77	73	77	77	78	78
Intermediate Use	2,660	8,048	8,091	8,091	11,261	8,444	8,255	8,058	8,578	7,000
Sentinel Lights	46	46	46	46	46	46	46	46	46	46
Street Lights	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015

Billing Determinants

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	4,557,710	4,076,348	4,668,181	4,840,236	5,835,284	5,791,299	4,573,789	4,076,507	4,305,986	4,184,250
General Service < 50 kW	1,967,056	1,759,306	2,014,734	2,088,991	2,518,442	2,499,459	1,973,995	1,759,374	1,858,415	1,805,875
General Service > 50 kW	26,551	22,499	23,030	19,814	26,856	26,749	22,350	18,713	18,703	20,517
Intermediate Use	1,274	5,053	5,469	10,720	8,768	8,607	6,503	6,174	8,461	5,028
Sentinel Lights	1	1	1	1	1	1	1	1	1	1
Street Lights	117	111	117	115	131	115	101	99	97	95

Calculated PILS Revenue

Rate Class	2002									
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Residential	13,270	25,711	26,738	27,032	28,747	28,678	26,575	25,721	26,155	25,968
General Service < 50 kW	3,478	6,747	7,013	7,092	7,522	7,493	6,972	6,762	6,861	6,808
General Service > 50 kW	7,693	14,081	14,252	13,217	15,484	15,094	14,033	12,862	12,948	13,532
Intermediate Use	702	4,949	5,202	8,269	7,916	7,123	5,847	5,606	7,071	4,674
Sentinel Lights	6	12	12	12	13	12	12	12	12	12
Street Lights	221	440	442	441	448	441	435	435	434	433
Total	25,370	51,941	53,659	56,064	60,129	58,842	53,875	51,398	53,481	51,428

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
8,028	8,032	8,075	8,075	7,182	8,075	8,077	8,030	8,058	8,059	8,069	8,071	8,081	8,081	8,082
1,049	1,051	1,120	1,121	986	1,120	1,120	1,115	1,109	1,113	1,118	1,119	1,121	1,121	1,121
78	79	73	82	40	81	81	81	79	82	81	81	82	82	83
9,905	7,847	7,847	11,151	7,000	-	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
5,848,841	5,741,293	5,844,355	5,227,105	5,010,812	5,170,235	6,153,503	6,283,228	5,372,522	5,335,342	5,364,093	5,871,109	5,817,771	5,208,312	5,230,458
2,450,715	2,405,652	2,448,836	2,190,202	2,099,574	2,166,373	2,578,372	2,632,728	2,251,134	2,235,555	2,247,602	2,460,046	2,590,572	2,319,188	2,329,049
14,987	20,672	17,479	14,482	17,085	11,948	10,862	15,219	8,432	10,689	14,875	19,345	18,314	25,561	17,003
10,095	6,586	7,583	10,335	4,403	10,963	15,526	11,726	15,375	12,191	8,895	5,832	9,298	863	7,821
1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
126	119	117	111	117	115	131	115	101	99	97	95	144	135	133

2003												2004		
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
28,853	28,676	28,955	27,889	25,429	27,791	29,493	29,607	28,100	28,039	28,112	28,991	28,923	27,871	13,956
7,488	7,452	7,826	7,572	6,834	7,544	7,956	7,986	7,576	7,579	7,615	7,833	7,973	7,701	3,856
11,752	13,671	12,110	11,944	9,052	11,040	10,690	12,093	9,730	10,723	11,982	13,421	13,178	15,511	6,422
8,355	5,794	6,377	8,804	4,309	6,404	10,806	8,586	10,718	8,858	6,933	5,144	7,168	2,241	3,153
12	12	12	12	12	12	13	12	12	12	12	12	12	12	6
446	443	442	440	442	441	448	441	435	435	434	433	453	449	224
56,905	56,048	55,722	56,662	46,079	53,232	59,405	58,726	56,572	55,646	55,088	55,835	57,707	53,786	27,617

MARCH 2004 – FEBRUARY 2005 PILS RECOVERIES

2004 Rate Year

Effective Date	Mar. 1, 2004
Conclusion Date	Feb. 28, 2005

Rate Class	PILS Portion	
	Fixed	Variable
Residential	\$ -	\$ 0.003770
General Service < 50 kW	\$ -	\$ 0.002460
General Service > 50 kW	\$ -	\$ 0.652488
Sentinel Lights	\$ -	\$ 2.726356
Street Lights	\$ -	\$ 1.212614

Billing Determinants

Rate Class	2004										2005		
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	5,230,458	4,379,062	4,544,514	4,928,185	5,393,016	5,280,298	5,200,502	4,823,133	5,006,684	5,491,844	6,065,975	5,386,130	5,594,523
General Service < 50 kW	2,329,049	1,949,935	2,023,608	2,194,452	2,401,434	2,351,242	2,315,710	2,147,673	2,229,406	2,445,441	2,524,274	2,241,365	2,328,085
General Service > 50 kW	17,003	21,476	21,569	24,169	25,596	25,061	25,505	22,891	24,554	26,065	31,063	30,536	28,648
Sentinel Lights	1	1	1	1	1	1	1	1	1	1	4	4	4
Street Lights	133	126	133	131	149	143	142	120	137	141	443	452	427

Calculated PILS Revenue

Rate Class	2004										2005		
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	9,859	16,509	17,133	18,579	20,332	19,907	19,606	18,183	18,875	20,704	22,869	20,306	10,546
General Service < 50 kW	2,865	4,797	4,978	5,398	5,908	5,784	5,697	5,283	5,484	6,016	6,210	5,514	2,864
General Service > 50 kW	5,547	14,013	14,074	15,770	16,701	16,352	16,642	14,936	16,021	17,007	20,268	19,924	9,346
Sentinel Lights	2	3	3	3	3	3	3	3	3	3	11	11	5
Street Lights	81	153	161	159	180	174	172	146	166	171	537	548	259
Total	18,353	35,475	36,349	39,910	43,124	42,220	42,119	38,551	40,550	43,902	49,895	46,303	23,020

MARCH 2005 – APRIL 2006 PILS RECOVERIES

2005 Rate Year

Effective Date	Mar. 1, 2005
Conclusion Date	Apr. 30, 2006

Rate Class	PILS Portion	
	Fixed	Variable
Residential	\$ -	\$ 0.0024
General Service < 50 kW	\$ -	\$ 0.0015
General Service > 50 kW	\$ -	\$ 0.3931
Sentinel Lights	\$ -	\$ 0.8557
Street Lights	\$ -	\$ 0.5914

Billing Determinants

Rate Class	2005										2006				
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	5,594,523	4,796,732	4,696,492	5,423,298	6,336,207	6,280,764	5,355,011	4,996,867	5,141,238	5,760,815	5,372,922	5,088,792	5,390,207	4,421,925	5,112,667
General Service < 50 kW	2,328,085	1,996,095	1,954,382	2,256,832	2,636,727	2,613,655	2,228,416	2,079,379	2,139,457	2,397,285	2,233,353	2,115,249	2,240,538	1,838,054	2,417,146
General Service > 50 kW	28,648	25,382	24,050	28,697	32,446	32,162	28,336	25,588	27,205	29,500	28,753	30,150	28,845	24,452	20,467
Sentinel Lights	4	4	4	4	5	5	5	4	4	4	4	4	3	3	4
Street Lights	427	379	400	457	529	524	501	386	401	424	443	441	420	381	453

Calculated PILS Revenue

Rate Class	2005										2006				
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	6,713	11,512	11,272	13,016	15,207	15,074	12,852	11,992	12,339	13,826	12,895	12,213	12,936	10,613	6,135
General Service < 50 kW	1,746	2,994	2,932	3,385	3,955	3,920	3,343	3,119	3,209	3,596	3,350	3,173	3,361	2,757	1,813
General Service > 50 kW	5,631	9,978	9,454	11,281	12,755	12,643	11,139	10,059	10,694	11,596	11,303	11,852	11,339	9,612	4,023
Sentinel Lights	2	3	3	4	4	4	4	3	3	3	3	3	3	3	2
Street Lights	126	224	236	270	313	310	296	228	237	251	262	261	249	225	134
Total	14,218	24,711	23,897	27,956	32,234	31,952	27,634	25,402	26,483	29,272	27,813	27,502	27,888	23,210	12,106

PILS ENTITLEMENT SUMMARY

PORT COLBORNE

PILS Entitlement						
Year	Amount	Effective	Start Date	Effective	End Date	Monthly Amount
Q4 2001	\$ 128,498		Oct. 1, 2001	Dec. 31, 2001		\$ 42,833
2002	\$ 510,389		Jan. 1, 2002	Dec. 31, 2002		\$ 42,532
2003	\$ 638,887		Jan. 1, 2003	Dec. 31, 2003		\$ 53,241
2004	\$ 638,887		Jan. 1, 2004	March 31, 2004		\$ 53,241
2004	\$ 510,389		April 1, 2004	March 31, 2005		\$ 42,532
2005	\$ 299,527		April 1, 2005	Apr. 30, 2006		\$ 24,961

2001 TAX RETURN RECONCILIATION

SIMPIL RRR FILING
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)
RRR # 2.1.8

LINE	M of F Corporate Tax Return	Non-wires Eliminations (positive numbers)	Wires-only Tax Return Total	Wires-only Tax Return Fort Erie 1/4 of year	Basis of Allocation
------	--------------------------------------	-------------------------------------------------	--------------------------------------	---------------------------------------------------------	---------------------

Section A: Identification:

Utility Name: Canadian Niagara Power Inc.

Reporting period: 2001

Taxation Year's start date:

Jan 01, 2001

Taxation Year's end date:

Dec 31, 2001

Number of days in taxation year:

365 days

Please enter the Materiality Level :

(0.25% x Rate Base x CER)

Y/N

0

< - enter materiality level

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

Y

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statement 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 expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	0		0				
Distribution Revenue	+	20,954,158	3,520,727	17,433,431	4,358,358			per Trial Balance residual
Other Income	+	451,717	12,500	439,217	109,804			
Miscellaneous income	+			0	0			
	+			0				
Revenue should be entered above this line								
		21,405,875	3,533,227	17,872,648	4,468,162			

Costs and Expenses:

Cost of energy purchased	-	10,904,969		10,904,969	2,726,242			residual
Administration	-	2,301,945	759,642	1,542,303	385,576			per Financial Statements
Customer billing and collecting	-	709,472		709,472	177,368			per Financial Statements
Operations and maintenance	-	3,238,672	1,231,026	2,007,646	501,912			per Financial Statements
Amortization (links to C61 below)	-	2,161,126	937,565	1,223,561	305,890			per Financial Statements
Ontario Capital Tax	-	429,810	214,905	214,905	53,726			% distribution operating revenues
CDM Expenses for 2005	-			0				
Operating lease	-	0		0				
	-			0				
	-			0				

Net Income Before Interest & Income Taxes EBIT

	=	1,659,881	390,089	1,269,792	317,448			
Less: Interest expense for accounting purposes	-	796,772	453,689	343,083	85,771			per F/S for trans, % of deemed int
Provision for payments in lieu of income taxes	-	479,928	-32,904	512,832	128,208			per F/S for trans, % of EBIT for dist
Net Income (loss)	=	383,181	-30,696	413,877	103,469			

(The Net Income (loss) in the MoF column should equal to the net income (loss) 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	+	479,928	-32,904	512,832	128,208			
Federal large corporations tax	+			0				
Depreciation & Amortization	+	2,161,126	937,565	1,223,561	305,890			
Employee benefit plans-accrued, not paid	+		0	0				
Tax reserves - beginning of year	+	232,387	0	232,387	58,097			100% wires
Reserves from financial statements- end of year	+	326,491	148,173	178,318	44,580			percentage of net assets
Regulatory adjustments	+			0	0			
Regulatory Assets changes	+			0	0			
Material addition items from TAXREC 2	+	460,050	208,786	251,514	62,850			percentage of net assets
Other addition items (not Material) from TAXREC 2	+	8,303	3,655	4,398	1,100			percentage of net assets
Subtotal		3,668,285	1,265,274	2,403,011	600,724			

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0	0			
Amortization of deferred financing and lease costs	+	0	0	0	0			percentage of net assets
Deferred GST ITCS	+	0	0	0	0			percentage of net assets
Interest and penalties on taxes	+		0	0	0			percentage of operating expenses
LCT	+	67,522	30,644	36,878	9,220			percentage of net assets
tax credits	+	1,000	232	768	192			percentage of operating expenses
	+			0	0			
Total Other Additions	=	68,522	30,876	37,646	9,412			

Total Additions

=	3,736,807	1,296,150	2,440,657	610,136
---	-----------	-----------	-----------	---------

Recap Material Additions:					
		0	0	0	
		0	0	0	
		0	0	0	
		0	0	0	
		0	30,644	36,878	
		0	232	768	
		0	0	0	
Total Other additions >materiality level		0	30,876	37,646	
Other deductions (less than materiality level)		68,522	0	0	0
Total Other Additions		68,522	30,876	37,646	9,412

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	2,570,062	1,166,382	1,403,680	350,920	percentage of net assets
Cumulative eligible capital deduction	-		0	0		percentage of net assets
Employee benefit plans-paid amounts	-			0		
Items capitalized for regulatory purposes	-	451,142	204,744	246,398	61,600	percentage of net assets
Regulatory adjustments :	-			0		
CCA	-			0		
other deductions	-			0		
Regulatory Assets changes	-			0		
Tax reserves - end of year	-	185,505	0	185,505	46,376	100% wires
Reserves from financial statements- beginning of year	-	277,422	125,904	151,518	37,880	percentage of net assets
Contributions to deferred income plans	-			0		
Contributions to pension plans	-			0		
Interest capitalized for accounting deducted for tax	-	214,844	97,504	117,340	29,335	percentage of net assets
Material deduction items from TAXREC 2	-	0	0	0		
Other deduction items (not Material) from TAXREC 2	-	0	0	0		percentage of net assets
Subtotal	=	3,698,975	1,594,533	2,104,442		
Other deductions (Please explain the nature of the deductions)						
Charitable donations - tax basis	-			0		
Legal fees re Port Colborne operating lease	-	512,325	512,325	0	0	100% non-wires
Deferred financing costs	-	0	0	0		percentage of net assets
Amortization of deferred operating lease costs	-		0	0		percentage of net assets
	-			0		
Total Other Deductions	=	512,325	512,325	0	0	
Total Deductions	=	4,211,300	2,106,858	2,104,442	526,111	

Recap Material Deductions:					
		0	0	0	
Legal fees re Port Colborne operating lease		512,325	0	0	0
		0	0	0	
		0	0	0	
		0	0	0	
Total Other Deductions exceed materiality level		512,325	0	0	0
Other Deductions less than materiality level		0	512,325	0	
Total Other Deductions		512,325	512,325	0	0

TAXABLE INCOME	=	-91,312	-841,404	750,092	187,494
DEDUCT:					
Non-capital loss applied positive number	-	0		0	
Net capital loss applied positive number	-			0	
	-			0	
NET TAXABLE INCOME	=	(91,312)	(841,404)	750,092	187,494

90.21%

FROM ACTUAL TAX RETURNS

Net Federal Income Tax (Must agree with tax return)	+	0	0	0		% of taxable income
Net Ontario Income Tax (Must agree with tax return)	+	34,524	31,144	3,380	845	% of taxable income
Subtotal	=	34,524	31,144	3,380	845	
Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
Total Income Tax	=	34,524	31,144	3,380	845	

APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate (Must agree with tax status)	13.12%	13.12%
Net Ontario Income Tax Rate (Must agree with tax status)	5.50%	5.50%
Blended Income Tax Rate	18.62%	18.62%

Section D: Detailed calculation of Ontario Capital Tax

ONTARIO CAPITAL TAX

(From Ontario CT23)

PAID-UP CAPITAL

Paid-up capital stock	+	21,400,000	9,712,050	11,687,950	2,921,987	percentage of net assets
Retained earnings (if deficit, deduct)	+/-	807,787	366,601	441,186	110,296	percentage of net assets
Capital and other surplus excluding appraisal surplus	+			0		
Loans and advances	+	25,034,040	11,361,301	13,672,739	3,418,185	percentage of net assets
Bank loans	+			0		
Bankers acceptances	+			0		

Bonds and debentures payable	+			0		
Mortgages payable	+			0		
Lien notes payable	+			0		
Deferred credits	+	456,215	207,046	249,169	62,292	percentage of net assets
Contingent, investment, inventory and similar reserves	+	1,979,039	898,155	1,080,884	270,221	percentage of net assets
Other reserves not allowed as deductions	+			0		
Share of partnership(s), joint venture(s) paid-up capital	+			0		
Sub-total	=	49,677,081	22,545,154	27,131,927	6,782,982	
Subtract:						
Amounts deducted for income tax purposes in excess of amounts booked	-	4,141,477	1,879,544	2,261,933	565,483	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0		
Total (Net) Paid-up Capital	=	45,535,604	20,665,611	24,869,993	6,217,498	

ELIGIBLE INVESTMENTS

Bonds, lien notes, interest coupons	+			0	
Mortgages due from other corporations	+			0	
Shares in other corporations	+			0	
Loans and advances to unrelated corporations	+			0	
Eligible loans and advances to related corporations	+			0	
Share of partnership(s) or joint venture(s) eligible investments	+			0	
Total Eligible Investments	=	0	0	0	

TOTAL ASSETS

Total assets per balance sheet	+	53,340,745	24,207,850	29,132,895	7,283,224	percentage of net assets
Mortgages or other liabilities deducted from assets	+			0		
Share of partnership(s)/ joint venture(s) total assets	+			0		
Subtract: Investment in partnership(s)/joint venture(s)	-			0		
Total assets as adjusted	=	53,340,745	24,207,850	29,132,895	7,283,224	

Add: (if deducted from assets)				0		
Contingent, investment, inventory and similar reserves	+			0		
Other reserves not allowed as deductions	+			0		
Subtract:				0		
Amounts deducted for income tax purposes in excess of amounts booked	-	4,141,477	1,879,544	2,261,933	565,483	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0		
Subtract: Appraisal surplus if booked	-			0		
Add or subtract: Other adjustments	+/-			0		
Total Assets	=	49,199,268	22,328,306	26,870,962	6,717,740	

Investment Allowance		0	0	0	0
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Taxable Capital

Net paid-up capital	+	45,535,604	20,665,611	24,869,993	6,217,498
Subtract: Investment Allowance	-	0	0	0	
Taxable Capital	=	45,535,604	20,665,611	24,869,993	6,217,498

Capital Tax Calculation

Deduction from taxable capital up to maximum of \$7,5000,000 (Input in tab Tax Rates)		1,260,000	571,831	688,169	172,042	percentage of net assets
Net Taxable Capital		44,275,604	20,093,780	24,181,824	6,045,456	
Rate		0.3000%	0.3000%	0.3000%		
Days in taxation year		365	365	365		
Divide days by 365		1.00	1.00	1.00		
Ontario Capital Tax (as calculated)		132,827	60,281	72,545	18,136	
Ontario Capital Tax (Must agree with CT23 return)		131,826	59,827	71,999	18,000	percentage of net assets

Section E: Detailed calculation of Large Corporations Tax

LARGE CORPORATIONS TAX

(From Federal Schedule 33)

CAPITAL

ADD:						
Reserves that have not been deducted in computing income for the year under Part I	+	2,435,254	1,105,201	1,330,053	332,513	percentage of net assets
Capital stock	+	21,400,000	9,712,050	11,687,950	2,921,987	percentage of net assets
Retained earnings	+	807,787	366,601	441,186	110,296	percentage of net assets

Contributed surplus	+			0		
Any other surpluses	+			0		
Deferred unrealized foreign exchange gains	+			0		
All loans and advances to the corporation	+	213,229	96,771	116,458	29,115	percentage of net assets
All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	24,820,811	11,264,531	13,556,280	3,389,070	percentage of net assets
Any dividends declared but not paid	+			0		
All other indebtedness outstanding for more than 365 days	+			0		

Subtotal	=	49,677,081	22,545,154	27,131,927	6,782,982	
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DEDUCT:

Deferred tax debit balance	-			0		
Any deficit deducted in computing shareholders' equity	-			0		
Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0		
Deferred unrealized foreign exchange losses	-			0		

Subtotal	=	0	0	0		
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Capital for the year		49,677,081	22,545,154	27,131,927	6,782,982	
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INVESTMENT ALLOWANCE

Shares in another corporation	+			0		
Loan or advance to another corporation	+			0		
Bond, debenture, note, mortgage, or similar obligation of another corporation	+			0		
Long term debt of financial institution	+			0		
Dividend receivable from another corporation	+			0		
Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0		
Interest in a partnership	+			0		

Investment Allowance	=	0	0	0		
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TAXABLE CAPITAL

Capital for the year	=	49,677,081	22,545,154	27,131,927	6,782,982	
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Deduct: Investment allowance	-	0	0	0		
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Taxable Capital for taxation year	=	49,677,081	22,545,154	27,131,927	6,782,982	
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Deduct: Capital Deduction - maximum of \$50,000,000 (Input in tab Tax Rates)	-	9,982,940	4,530,599	5,452,341	1,363,085	percentage of net assets
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Taxable Capital	=	39,694,141	18,014,555	21,679,586	5,419,896	
------------------------	---	------------	------------	------------	-----------	--

Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005

Days in year		365	365	365		
Divide days by 365		1.0000	1.0000	1.0000		

Gross Part I.3 Tax LCT (Must agree with tax return)	=	89,312	40,533	48,779	12,195	
------------------------------------------------------------	---	--------	--------	--------	--------	--

Federal Surtax Rate		1.1200%	1.1200%	1.1200%		
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Less: Federal Surtax = Actual Surtax from tax return	-	0	0	0		percentage of net assets
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Net Part I.3 Tax - LCT Payable (Must agree with tax return) (If surtax is greater than Gross LCT, then zero)	=	89,312	40,533	48,779	12,195	
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Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	34,524	31,144	3,380	845	
Ontario Capital Tax	+	131,826	59,827	71,999	18,000	
Federal Large Corporations Tax	+	89,312	40,533	48,779	12,195	

Total income and capital taxes	=	255,662	131,504	124,158	31,039	
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2002 TAX RETURN RECONCILIATION

SIMPIL RRR FILING
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)
RRR # 2.1.8

LINE	M of F Corporate Tax Return	Non-wires Eliminations (positive numbers)	Wires-only Tax Return	Wires-only Tax Return Fort Erie	Wires-only Tax Return Port Colborne	Basis of Allocation
------	--------------------------------------	-------------------------------------------------	-----------------------------	------------------------------------------	----------------------------------------------	---------------------

Section A: Identification:

Utility Name: Canadian Niagara Power Inc.

Reporting period: 2002 REV 4

Taxation Year's start date:

Jan 01, 2002

Taxation Year's end date:

Dec 31, 2002

Number of days in taxation year:

365 days

Please enter the Materiality Level :

0

< - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

Y

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statement 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 expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	0		0	0	0	
Distribution Revenue	+	0		0	0	0	
Other Income	+	44,740,630	4,531,243	40,209,387	26,409,131	13,800,256	
Miscellaneous income	+	1,460,179	462,504	997,675	923,687	73,988	
	+			0			

per Trial Balance
residual

Revenue should be entered above this line

46,200,809 4,993,747 41,207,062 27,332,818 13,874,244

Costs and Expenses:

Cost of energy purchased	-	30,543,106		30,543,106	19,258,179	11,284,927	
Administration	-	3,625,116	1,074,870	2,550,246	2,210,026	340,220	
Customer billing and collecting	-	1,237,037		1,237,037	942,964	294,073	
Operations and maintenance	-	3,929,129	868,433	3,060,696	2,290,395	770,301	
Amortization (links to C61 below)	-	2,393,832	996,899	1,396,933	1,393,904	3,029	
Ontario Capital Tax	-	132,000	53,000	79,000	52,645	26,355	
CDM Expenses for 2005	-			0			
Operating lease	-	1,133,000	1,133,000	0		0	
	-			0			
	-			0			
	-			0			

residual
per Financial Statements
per Financial Statements
per Financial Statements
per Financial Statements
% distribution operating revenues
100% non-wires

Net Income Before Interest & Income Taxes EBIT

Less: Interest expense for accounting purposes

Provision for payments in lieu of income taxes

Net Income (loss)

(The Net Income (loss) in the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)

=	3,207,589	867,545	2,340,044	1,184,705	1,155,339	
-	1,580,000	809,848	770,152	542,763	227,389	
-	749,000	499,454	249,546	126,339	123,207	
=	878,589	-441,757	1,320,346	515,603	804,743	
	878,589					

per F/S for trans, % of deemed int
per F/S for trans, % of EBIT for dist

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	749,000	499,454	135,366	126,339	123,207	
Federal large corporations tax	+			0			
Depreciation & Amortization	+	2,393,832	996,899	1,396,933	1,393,904	3,029	
Employee benefit plans-accrued, not paid	+		0	0			
Tax reserves - beginning of year	+	362,111	0	362,111	349,277	12,834	
Reserves from financial statements- end of year	+	756,004	301,503	454,501	438,392	16,108	
Regulatory adjustments	+			0			
Regulatory Assets changes	+			0			
Material addition items from TAXREC 2	+	0	0	0	0	0	
Other addition items (not Material) from TAXREC 2	+	31,205	12,445	18,760	18,095	665	
Subtotal		4,292,152	1,810,301	2,367,671	2,326,008	155,843	

100% wires, % wires net assets
percentage of net assets

percentage of net assets
percentage of net assets

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0			
Amortization of deferred financing and lease costs	+	0	0	0	0	0	
Deferred GST ITCS	+	0	0	0	0	0	
Interest and penalties on taxes	+	208	42	166	139	27	
LCT	+	114,584	45,697	68,887	66,445	2,441	
tax credits	+	1,000	201	799	668	131	
	+			0			
Total Other Additions	=	115,792	45,941	69,851	67,252	2,599	

percentage of net assets
percentage of net assets
percentage of operating expenses
percentage of net assets
percentage of operating expenses

Total Additions

= 4,407,944 1,856,242 2,437,522 2,393,260 158,442

Recap Material Additions:

		0	0	0	0	0	
		0	0	0	0	0	
		0	0	0	0	0	
		0	0	0	0	0	

LCT		114,584	45,697	68,887	66,445	2,441
		0	0	0	0	0
		0	0	0	0	0
Total Other additions >materiality level		114,584	45,697	68,887	66,445	2,441
Other deductions (less than materiality level)		1,208	243	965	807	158
Total Other Additions		115,792	45,941	69,851	67,252	2,599

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	2,457,091	979,917	1,477,174	1,424,821	52,353	percentage of net assets
Cumulative eligible capital deduction	-	3,062	1,221	1,841	1,776	65	percentage of net assets
Employee benefit plans-paid amounts	-			0			
Items capitalized for regulatory purposes	-	19,996	270,144	407,227	392,795	14,433	percentage of net assets
Regulatory adjustments :	-			0			
CCA	-			0			
other deductions	-			0			
Regulatory Assets changes	-			0			
Tax reserves - end of year	-	344,591	0	344,591	332,378	12,213	100% wires, % wires net assets
Reserves from financial statements- beginning of year	-	742,735	296,211	446,524	430,698	15,825	percentage of net assets
Contributions to deferred income plans	-			0			
Contributions to pension plans	-			0			
Interest capitalized for accounting deducted for tax	-	677,371	7,975	12,021	11,595	426	percentage of net assets
Material deduction items from TAXREC 2	-	0	0	0			
Other deduction items (not Material) from TAXREC 2	-	1,196	477	719	694	25	percentage of net assets
Subtotal	=	4,246,042	1,555,945	2,690,097	2,594,756	95,341	
Other deductions (Please explain the nature of the deductions)							
Charitable donations - tax basis	-			0			
Deferred GST ITCs	-	689,778	275,092	414,686	399,989	14,697	percentage of net assets
Deferred financing costs	-	0	0	0	0	0	percentage of net assets
Amortization of deferred operating lease costs	-	308,959	308,959	0	0	0	100% non-wires
	-			0			
Total Other Deductions	=	998,737	584,051	414,686	399,989	14,697	
Total Deductions	=	5,244,779	2,139,995	3,104,784	2,994,745	110,038	

Recap Material Deductions:

		0	0	0	0	0
Deferred GST ITCs		689,778	275,092	414,686	399,989	14,697
		0	0	0	0	0
Amortization of deferred operating lease costs		308,959	0	0	0	0
		0	0	0	0	0
Total Other Deductions exceed materiality level		998,737	275,092	414,686	399,989	14,697
Other Deductions less than materiality level		0	308,959	0	0	0
Total Other Deductions		998,737	584,051	414,686	399,989	14,697

TAXABLE INCOME	=	41,754	-725,510	653,084	-85,883	853,147
DEDUCT:						
Non-capital loss applied	positive number	0		0	0	0
Net capital loss applied	positive number			0		
				0		
NET TAXABLE INCOME	=	41,754	(725,510)	653,084	(85,883)	853,147
			90.92%		-13.15%	130.63%

FROM ACTUAL TAX RETURNS

Net Federal Income Tax	(Must agree with tax return)	+	0	0	0	-	-	% of taxable income
Net Ontario Income Tax	(Must agree with tax return)	+	60,536	55,041	5,495	(723)	7,178	% of taxable income
Subtotal		=	60,536	55,041	5,495	(723)	7,178	
Less: Miscellaneous tax credits	(Must agree with tax returns)	-	0		0			
Total Income Tax		=	60,536	55,041	5,495	(723)	7,178	

APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate	(Must agree with tax status)	13.12%	13.12%
Net Ontario Income Tax Rate	(Must agree with tax status)	5.50%	5.50%
Blended Income Tax Rate		18.62%	18.62%

Section D: Detailed calculation of Ontario Capital Tax

ONTARIO CAPITAL TAX

(From Ontario CT23)

PAID-UP CAPITAL

Paid-up capital stock	+	21,400,000	8,534,572	12,865,428	12,409,457	455,971	percentage of net assets
Retained earnings (if deficit, deduct)	+/-	1,685,926	672,367	1,013,559	977,637	35,922	percentage of net assets
Capital and other surplus excluding appraisal surplus	+			0			
	+			0			
Loans and advances	+	25,957,878	10,352,308	15,605,570	15,052,485	553,086	percentage of net assets
Bank loans	+			0			
Bankers acceptances	+			0			
Bonds and debentures payable	+			0			
Mortgages payable	+			0			
Lien notes payable	+			0			
Deferred credits	+	891,648	355,600	536,048	517,050	18,998	percentage of net assets
Contingent, investment, inventory and similar reserves	+	1,938,248	772,996	1,165,252	1,123,954	41,298	percentage of net assets
Other reserves not allowed as deductions	+			0			
Share of partnership(s), joint venture(s) paid-up capital	+			0			
Sub-total	=	51,873,700	20,687,843	31,185,857	30,080,582	1,105,275	
Subtract:							
Amounts deducted for income tax purposes in excess of amounts booked	-	5,358,252	2,136,934	3,221,318	3,107,149	114,169	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0			

Total (Net) Paid-up Capital	=	46,515,448	18,550,909	27,964,539	26,973,432	991,107
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ELIGIBLE INVESTMENTS

Bonds, lien notes, interest coupons	+			0		
Mortgages due from other corporations	+			0		
Shares in other corporations	+			0		
Loans and advances to unrelated corporations	+			0		
Eligible loans and advances to related corporations	+			0		
Share of partnership(s) or joint venture(s) eligible investments	+			0		
Total Eligible Investments	=	0	0	0		

TOTAL ASSETS

Total assets per balance sheet	+	60,213,286	24,013,768	36,199,518	34,916,551	1,282,967	percentage of net assets
Mortgages or other liabilities deducted from assets	+			0			
Share of partnership(s)/ joint venture(s) total assets	+			0			
Subtract: Investment in partnership(s)/joint venture(s)	-			0			
Total assets as adjusted	=	60,213,286	24,013,768	36,199,518	34,916,551	1,282,967	

Add: (if deducted from assets)							
Contingent, investment, inventory and similar reserves	+			0			
Other reserves not allowed as deductions	+			0			
Subtract:				0			
Amounts deducted for income tax purposes in excess of amounts booked	-	5,358,252	2,136,934	3,221,318	3,107,149	114,169	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0			
Subtract: Appraisal surplus if booked	-			0			
Add or subtract: Other adjustments	+/-			0			
Total Assets	=	54,855,034	21,876,834	32,978,200	31,809,401	1,168,799	

Investment Allowance		0	0	0	0	0
-----------------------------	--	---	---	---	---	---

Taxable Capital

Net paid-up capital	+	46,515,448	18,550,909	27,964,539	26,973,432	991,107
Subtract: Investment Allowance	-	0	0	0	0	0
Taxable Capital	=	46,515,448	18,550,909	27,964,539	26,973,432	991,107

Capital Tax Calculation

Deduction from taxable capital up to maximum of \$7,5000,000 (Input in tab Tax Rates)		2,508,000	1,000,220	1,507,780	1,454,342	53,438	percentage of net assets
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Net Taxable Capital		44,007,448	17,550,689	26,456,759	25,519,091	937,669
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Rate		0.3000%	0.3000%	0.3000%	0.3000%	0.3000%
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Days in taxation year		365	365	365	365	365
Divide days by 365		1.00	1.00	1.00	1.00	1.00

Ontario Capital Tax (as calculated)		132,022	52,652	79,370	76,557	2,813
--------------------------------------------	--	---------	--------	--------	--------	-------

Ontario Capital Tax (Must agree with CT23 return)		132,023	52,652	79,371	76,558	2,813	percentage of net assets
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Section E: Detailed calculation of Large Corporations Tax

LARGE CORPORATIONS TAX

(From Federal Schedule 33)

CAPITAL

ADD:							
Reserves that have not been deducted in computing income for the year under Part I	+	2,829,896	1,128,596	1,701,300	1,641,003	60,297	percentage of net assets
Capital stock	+	21,400,000	8,534,572	12,865,428	12,409,457	455,971	percentage of net assets
Retained earnings	+	1,685,926	672,367	1,013,559	977,637	35,922	percentage of net assets
Contributed surplus	+			0			
Any other surpluses	+			0			
Deferred unrealized foreign exchange gains	+			0			
All loans and advances to the corporation	+	223,135	88,989	134,146	129,392	4,754	percentage of net assets
All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	24,820,811	9,898,832	14,921,979	14,393,121	528,858	percentage of net assets
Any dividends declared but not paid	+			0			
All other indebtedness outstanding for more than 365 days	+			0			
Subtotal	=	50,959,768	20,323,356	30,636,412	29,550,610	1,085,802	

DEDUCT:							
Deferred tax debit balance	-			0			
Any deficit deducted in computing shareholders' equity	-			0			
Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0			
Deferred unrealized foreign exchange losses	-			0			
Subtotal	=	0	0	0			

Capital for the year	50,959,768	20,323,356	30,636,412	29,550,610	1,085,802
-----------------------------	------------	------------	------------	------------	-----------

INVESTMENT ALLOWANCE

Shares in another corporation	+	0		0	
Loan or advance to another corporation	+			0	
Bond, debenture, note, mortgage, or	+			0	
similar obligation of another corporation	+			0	
Long term debt of financial institution	+			0	
Dividend receivable from another corporation	+			0	
Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
Interest in a partnership	+			0	
Investment Allowance	=	0	0	0	

TAXABLE CAPITAL

Capital for the year	=	50,959,768	20,323,356	30,636,412	29,550,610	1,085,802
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Deduct: Investment allowance	-	0	0	0		
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Taxable Capital for taxation year	=	50,959,768	20,323,356	30,636,412	29,550,610	1,085,802
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Deduct: Capital Deduction - maximum of \$50,000,000	-	5,755,000	2,295,162	3,459,838	3,337,216	122,622
-----------------------------------------------------	---	-----------	-----------	-----------	-----------	---------

(Input in tab Tax Rates)

percentage of net assets

Taxable Capital	=	45,204,768	18,028,194	27,176,574	26,213,394	963,180
------------------------	---	------------	------------	------------	------------	---------

Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005		0.22500%	0.22500%	0.22500%	0.22500%	0.22500%
--------------------------------------------------------------	--	----------	----------	----------	----------	----------

Days in year		365	365	365	365	365
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Divide days by 365		1.0000	1.0000	1.0000	1.0000	1.0000
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Gross Part I.3 Tax LCT (Must agree with tax return)	=	101,711	40,563	61,147	58,980	2,167
------------------------------------------------------------	---	---------	--------	--------	--------	-------

Federal Surtax Rate		1.1200%	1.1200%	1.1200%	1.1200%	1.1200%
---------------------	--	---------	---------	---------	---------	---------

Less: Federal Surtax = Actual Surtax from tax return	-	0	0	0	0	0
------------------------------------------------------	---	---	---	---	---	---

percentage of net assets

Net Part I.3 Tax - LCT Payable (Must agree with tax return)	=	101,711	40,563	61,147	58,980	2,167
--------------------------------------------------------------------	---	---------	--------	--------	--------	-------

(If surtax is greater than Gross LCT, then zero)

Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	60,536	55,041	5,495	-723	7,178
Ontario Capital Tax	+	132,023	52,652	79,371	76,558	2,813
Federal Large Corporations Tax	+	101,711	40,563	61,147	58,980	2,167
Total income and capital taxes	=	294,270	148,257	146,013	134,815	12,158

2003 TAX RETURN RECONCILIATION

SIMPIL RRR FILING
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)
RRR # 2.1.8

LINE	M of F Corporate Tax Return	Non-wires Eliminations (positive numbers)	Wires-only Tax Return	Wires-only Tax Return Fort Erie	Wires-only Tax Return Port Colborne	Basis of Allocation
------	--------------------------------------	-------------------------------------------------	-----------------------------	------------------------------------------	----------------------------------------------	---------------------

Section A: Identification:

Utility Name: Canadian Niagara Power Inc.

Reporting period: 2003 REV 4

Taxation Year's start date:

Jan 01, 2003

Taxation Year's end date:

Dec 31, 2003

Number of days in taxation year:

365 days

Please enter the Materiality Level :

0

< - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

Y

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statement 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 expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	0		0	0	0	
Distribution Revenue	+	0		0	0	0	
Other Income	+	50,873,000	4,876,338	45,996,662	29,411,455	16,585,207	
Miscellaneous income	+	1,766,000	512,000	1,254,000	1,254,000	0	
	+			0			

per Trial Balance
residual

Revenue should be entered above this line

52,639,000 5,388,338 47,250,662 30,665,455 16,585,207

Costs and Expenses:

Cost of energy purchased	-	34,462,000		34,462,000	21,552,713	12,909,287	
Administration	-	4,545,616	1,402,887	3,142,729	2,762,593	380,136	
Customer billing and collecting	-	1,004,532		1,004,532	569,355	435,177	
Operations and maintenance	-	2,476,393	268,721	2,207,672	1,574,772	632,900	
Amortization (links to C61 below)	-	2,863,181	741,639	2,121,542	1,933,427	188,115	
Ontario Capital Tax	-	153,500	80,629	72,871	46,595	26,276	
CDM Expenses for 2005	-			0			
Operating lease	-	1,614,000	1,614,000	0		0	
	-			0			
	-			0			
	-			0			

residual
per Financial Statements
per Financial Statements
per Financial Statements
per Financial Statements
% distribution operating revenues
100% non-wires

Net Income Before Interest & Income Taxes EBIT

Less: Interest expense for accounting purposes

Provision for payments in lieu of income taxes

Net Income (loss)

(The Net Income (loss) in the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)

=	5,519,778	1,280,462	4,239,316	2,226,000	2,013,316	
-	1,853,000	907,462	945,538	666,366	279,172	
-	1,333,000	678,000	655,000	343,930	311,070	
=	2,333,778	-305,000	2,638,778	1,215,703	1,423,075	

per F/S for trans, % of deemed int
per F/S for trans, % of EBIT for dist

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	1,333,000	678,000	655,000	343,930	311,070	
Federal large corporations tax	+			0			
Depreciation & Amortization	+	2,863,181	741,639	2,121,542	1,933,427	188,115	
Employee benefit plans-accrued, not paid	+		0	0			
Tax reserves - beginning of year	+	167,985	0	167,985	153,599	14,386	
Reserves from financial statements- end of year	+	964,827	347,243	617,584	564,693	52,891	
Regulatory adjustments	+			0			
Regulatory Assets changes	+			0			
Material addition items from TAXREC 2	+	0	0	0	0	0	
Other addition items (not Material) from TAXREC 2	+	23,238	8,363	14,875	13,601	1,274	
Subtotal		5,352,231	1,775,245	3,576,986	3,009,250	567,736	

100% wires, % of wires net assets
percentage of net assets
percentage of net assets
percentage of net assets
percentage of net assets

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0			
Deferred financing costs	+	142,573	51,312	91,261	83,445	7,816	
Deferred GST ITCS	+	689,778	248,252	441,526	403,713	37,813	
Interest and penalties on taxes	+	7,411	710	6,701	4,285	2,416	
LCT	+	96,742	34,818	61,924	56,621	5,303	
	+			0			
	+			0			
Total Other Additions	=	936,504	335,093	601,411	548,064	53,348	

percentage of net assets
percentage of net assets
percentage of operating expenses
percentage of net assets
percentage of operating expenses

Total Additions

=	6,288,735	2,110,338	4,178,397	3,557,314	621,083	
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Recap Material Additions:

		0	0	0	0	0	
Deferred financing costs		142,573	51,312	91,261	83,445	7,816	
Deferred GST ITCS		689,778	248,252	441,526	403,713	37,813	
		0	0	0	0	0	

LCT		96,742	34,818	61,924	56,621	5,303
		0	0	0	0	0
		0	0	0	0	0
Total Other additions >materiality level		929,093	334,382	594,711	543,779	50,932
Other deductions (less than materiality level)		7,411	710	6,701	4,285	2,416
Total Other Additions		936,504	335,093	601,411	548,064	53,348

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	2,812,607	1,012,262	1,800,345	1,646,161	154,184	percentage of net assets
Cumulative eligible capital deduction	-	2,902	1,044	1,858	1,698	159	percentage of net assets
Employee benefit plans-paid amounts	-			0			
Items capitalized for regulatory purposes	-	341,290	122,831	218,459	199,750	18,709	percentage of net assets
Regulatory adjustments :	-			0			
CCA	-			0			
other deductions	-			0			
Regulatory Assets changes	-			0			
Tax reserves - end of year	-	222,247	0	222,247	203,214	19,033	100% wires, % of wires net assets
Reserves from financial statements- beginning of year	-	339,760	122,280	217,480	198,855	18,625	percentage of net assets
Contributions to deferred income plans	-			0			
Contributions to pension plans	-			0			
Interest capitalized for accounting deducted for tax	-	17,697	6,369	11,328	10,358	970	percentage of net assets
Material deduction items from TAXREC 2	-	0	0	0			
Other deduction items (not Material) from TAXREC 2	-	34,654	12,472	22,182	20,282	1,900	percentage of net assets
Subtotal	=	3,771,157	1,277,259	2,493,898	2,280,318	213,580	
Other deductions (Please explain the nature of the deductions)							
Charitable donations - tax basis	-			0			
deferred deregulation costs	-	54,687	19,682	35,005	32,007	2,998	percentage of net assets
Deferred financing costs	-	96,058	34,571	61,487	56,221	5,266	percentage of net assets
Amortization of deferred operating lease costs	-	239,054	239,054	0	0	0	percentage of net assets
	-			0			
Total Other Deductions	=	389,799	293,307	96,492	88,228	8,264	
Total Deductions	=	4,160,956	1,570,566	2,590,390	2,368,546	221,844	

Recap Material Deductions:

		0	0	0	0	0
		0	0	0	0	0
Deferred financing costs		96,058	34,571	61,487	56,221	5,266
		239,054	0	0	0	0
		0	0	0	0	0
Total Other Deductions exceed materiality level		335,112	34,571	61,487	56,221	5,266
Other Deductions less than materiality level		54,687	258,736	35,005	32,007	2,998
Total Other Deductions		389,799	293,307	96,492	88,228	8,264

TAXABLE INCOME

DEDUCT:	=	4,461,557	234,772	4,226,785	2,404,471	1,822,315
Non-capital loss applied	positive number	688,576	247,820	440,756	403,009	37,747
Net capital loss applied	positive number			0		
				0		
NET TAXABLE INCOME	=	3,772,981	(13,048)	3,786,029	2,001,462	1,784,568
			-0.35%		52.86%	47.14%

FROM ACTUAL TAX RETURNS

Net Federal Income Tax	(Must agree with tax return)	+	850,375	(2,941)	853,316	451,100	402,216	% of taxable income
Net Ontario Income Tax	(Must agree with tax return)	+	309,561	(1,071)	310,632	164,214	146,418	% of taxable income
Subtotal		=	1,159,936	(4,011)	1,163,947	615,314	548,634	
Less: Miscellaneous tax credits	(Must agree with tax returns)	-	0		0			
Total Income Tax		=	1,159,936	(4,011)	1,163,947	615,314	548,634	

APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate	(Must agree with tax status)	13.12%	13.12%
Net Ontario Income Tax Rate	(Must agree with tax status)	5.50%	5.50%
Blended Income Tax Rate		18.62%	18.62%

Section D: Detailed calculation of Ontario Capital Tax

ONTARIO CAPITAL TAX

(From Ontario CT23)

PAID-UP CAPITAL

Paid-up capital stock	+	23,900,000	8,601,652	15,298,348	13,988,179	1,310,169	percentage of net assets
Retained earnings (if deficit, deduct)	+/-	4,020,043	1,446,820	2,573,223	2,352,849	220,374	percentage of net assets
Capital and other surplus excluding appraisal surplus	+			0			
	+			0			
Loans and advances	+	30,671,491	11,038,723	19,632,768	17,951,394	1,681,374	percentage of net assets
Bank loans	+			0			
Bankers acceptances	+			0			
Bonds and debentures payable	+			0			
Mortgages payable	+			0			
Lien notes payable	+			0			
Deferred credits	+	1,271,035	457,448	813,587	743,911	69,677	percentage of net assets
Contingent, investment, inventory and similar reserves	+	2,050,596	738,013	1,312,583	1,200,172	112,411	percentage of net assets
Other reserves not allowed as deductions	+			0			
Share of partnership(s), joint venture(s) paid-up capital	+			0			
Sub-total	=	61,913,165	22,282,656	39,630,509	36,236,505	3,394,004	
Subtract:							
Amounts deducted for income tax purposes in excess of amounts booked	-	5,986,561	2,154,574	3,831,987	3,503,811	328,176	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0			

Total (Net) Paid-up Capital	=	55,926,604	20,128,082	35,798,522	32,732,693	3,065,828
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ELIGIBLE INVESTMENTS

Bonds, lien notes, interest coupons	+			0		
Mortgages due from other corporations	+			0		
Shares in other corporations	+	5,025,910	1,808,834	3,217,076	2,941,562	275,514
Loans and advances to unrelated corporations	+			0		
Eligible loans and advances to related corporations	+			0		
Share of partnership(s) or joint venture(s) eligible investments	+			0		
Total Eligible Investments	=	5,025,910	1,808,834	3,217,076	2,941,562	275,514

TOTAL ASSETS

Total assets per balance sheet	+	73,387,059	26,412,131	46,974,928	42,951,939	4,022,989	percentage of net assets
Mortgages or other liabilities deducted from assets	+			0			
Share of partnership(s)/ joint venture(s) total assets	+			0			
Subtract: Investment in partnership(s)/joint venture(s)	-			0			
Total assets as adjusted	=	73,387,059	26,412,131	46,974,928	42,951,939	4,022,989	

Add: (if deducted from assets)							
Contingent, investment, inventory and similar reserves	+			0			
Other reserves not allowed as deductions	+			0			
Subtract:				0			
Amounts deducted for income tax purposes in excess of amounts booked	-	5,986,561	2,154,574	3,831,987	3,503,811	328,176	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0			
Subtract: Appraisal surplus if booked	-			0			
Add or subtract: Other adjustments	+/-			0			
Total Assets	=	67,400,498	24,257,557	43,142,941	39,448,128	3,694,813	

Investment Allowance		4,170,326	1,500,908	2,669,419	2,440,806	228,612
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Taxable Capital

Net paid-up capital	+	55,926,604	20,128,082	35,798,522	32,732,693	3,065,828
Subtract: Investment Allowance	-	4,170,326	1,500,908	2,669,419	2,440,806	228,612
Taxable Capital	=	51,756,278	18,627,175	33,129,103	30,291,887	2,837,216

Capital Tax Calculation

Deduction from taxable capital up to maximum of \$7,500,000 (Input in tab Tax Rates)		589,453	212,145	377,308	344,995	32,313	percentage of net assets
-----------------------------------------------------------------------------------------	--	---------	---------	---------	---------	--------	--------------------------

Net Taxable Capital		51,166,825	18,415,029	32,751,795	29,946,892	2,804,903
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Rate		0.3000%	0.3000%	0.3000%	0.3000%	0.3000%
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Days in taxation year		365	365	365	365	365
Divide days by 365		1.00	1.00	1.00	1.00	1.00

Ontario Capital Tax (as calculated)		153,500	55,245	98,255	89,841	8,415
--------------------------------------------	--	---------	--------	--------	--------	-------

Ontario Capital Tax (Must agree with CT23 return)		153,500	55,245	98,255	89,840	8,415	percentage of net assets
----------------------------------------------------------	--	---------	--------	--------	--------	-------	--------------------------

Section E: Detailed calculation of Large Corporations Tax

LARGE CORPORATIONS TAX

(From Federal Schedule 33)

CAPITAL

ADD:							
Reserves that have not been deducted in computing income for the year under Part I	+	3,321,631	1,195,461	2,126,170	1,944,082	182,088	percentage of net assets
Capital stock	+	23,900,000	8,601,652	15,298,348	13,988,179	1,310,169	percentage of net assets
Retained earnings	+	4,020,043	1,446,820	2,573,223	2,352,849	220,374	percentage of net assets
Contributed surplus	+			0			
Any other surpluses	+			0			
Deferred unrealized foreign exchange gains	+			0			
All loans and advances to the corporation	+	447,397	161,019	286,378	261,852	24,526	percentage of net assets
All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	30,000,000	10,797,052	19,202,948	17,558,384	1,644,563	percentage of net assets
Any dividends declared but not paid	+			0			
All other indebtedness outstanding for more than 365 days	+			0			
Subtotal	=	61,689,071	22,202,004	39,487,067	36,105,347	3,381,720	

DEDUCT:							
Deferred tax debit balance	-			0			
Any deficit deducted in computing shareholders' equity	-			0			
Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0			
Deferred unrealized foreign exchange losses	-			0			
Subtotal	=	0	0	0			

Capital for the year	61,689,071	22,202,004	39,487,067	36,105,347	3,381,720
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INVESTMENT ALLOWANCE

Shares in another corporation	+	5,025,910	1,808,834	3,217,076	2,941,562	275,514
Loan or advance to another corporation	+			0		
Bond, debenture, note, mortgage, or	+			0		
similar obligation of another corporation	+			0		
Long term debt of financial institution	+			0		
Dividend receivable from another corporation	+			0		
Debts of corporate partnerships that were not exempt from tax	+			0		
under Part I.3	+			0		
Interest in a partnership	+			0		
Investment Allowance	=	5,025,910	1,808,834	3,217,076	2,941,562	275,514

TAXABLE CAPITAL

Capital for the year	=	61,689,071	22,202,004	39,487,067	36,105,347	3,381,720
Deduct: Investment allowance	-	5,025,910	1,808,834	3,217,076	2,941,562	275,514
Taxable Capital for taxation year	=	56,663,161	20,393,171	36,269,990	33,163,785	3,106,205
Deduct: Capital Deduction - maximum of \$50,000,000 (Input in tab Tax Rates)	-	0	0	0	0	0
Taxable Capital	=	56,663,161	20,393,171	36,269,990	33,163,785	3,106,205
Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005		0.22500%	0.22500%	0.22500%	0.22500%	0.22500%
Days in year		365	365	365	365	365
Divide days by 365		1.0000	1.0000	1.0000	1.0000	1.0000
Gross Part I.3 Tax LCT (Must agree with tax return)	=	127,492	45,885	81,607	74,619	6,989
Federal Surtax Rate		1.1200%	1.1200%	1.1200%	1.1200%	1.1200%
Less: Federal Surtax = Actual Surtax from tax return	-	39,487	14,211	25,276	23,111	2,165
Net Part I.3 Tax - LCT Payable (Must agree with tax return) (If surtax is greater than Gross LCT, then zero)	=	88,005	31,673	56,332	51,508	4,824

percentage of net assets

percentage of net assets

Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	1,159,936	-4,011	1,163,947	615,314	548,634
Ontario Capital Tax	+	153,500	55,245	98,255	89,840	8,415
Federal Large Corporations Tax	+	88,005	31,673	56,332	51,508	4,824
Total income and capital taxes	=	1,401,441	82,907	1,318,534	756,662	561,873

2004 TAX RETURN RECONCILIATION

LINE	M of F	Non-wires	Wires-only	Wires-only	Wires-only	Wires-only	
	Corporate	Eliminations	Tax	Tax	Tax	Tax	
	Tax	(positive numbers)	Return	Return	Return	Return	
	Return			Fort Erie	Port Colborne	EOP	Basis of Allocation

Jan 01, 2004
Dec 31, 2004
365 days

Y/N

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	3,304,403	999,522	2,304,881	1,788,786	269,618	246,477	percentage of net assets
Cumulative eligible capital deduction	-	10,891	3,294	7,597	5,896	889	812	percentage of net assets
Employee benefit plans-paid amounts	-			0				
Items capitalized for regulatory purposes	-	836,429	253,005	583,424	452,788	68,247	62,390	percentage of net assets
Regulatory adjustments :	-			0				
CCA	-			0				
other deductions	-			0				
Regulatory Assets changes	-			0				
Tax reserves - end of year	-	228,659	0	228,659	177,459	26,748	24,452	100% wires, % of wires net assets
Reserves from financial statements- beginning of year	-	964,827	291,843	672,984	522,294	78,724	71,967	percentage of net assets
Contributions to deferred income plans	-			0				
Contributions to pension plans	-			0				
Interest capitalized for accounting deducted for tax	-	62,828	19,004	43,824	34,011	5,126	4,686	percentage of net assets
Material deduction items from TAXREC 2	-	0	0	0				
Other deduction items (not Material) from TAXREC 2	-	0	0	0				percentage of net assets
Subtotal	=	5,408,037	1,566,669	3,841,368	2,981,233	449,351	410,784	
Other deductions (Please explain the nature of the deductions)								
Charitable donations - tax basis	-			0				
Gain on disposal of assets	-			0				percentage of net assets
Deferred financing costs	-	96,058	29,056	67,002	51,999	7,838	7,165	percentage of net assets
Operating lease costs	-	5,000	5,000	0	0	0	0	100% non-wires
Total Other Deductions	=	101,058	34,056	67,002	51,999	7,838	7,165	
Total Deductions	=	5,509,095	1,600,724	3,908,371	3,033,233	457,189	417,949	

Recap Material Deductions:							
		0	0	0	0	0	0
		0	0	0	0	0	0
Deferred financing costs		96,058	29,056	67,002	51,999	7,838	7,165
		0	0	0	0	0	0
		0	0	0	0	0	0
Total Other Deductions exceed materiality level		96,058	29,056	67,002	51,999	7,838	7,165
Other Deductions less than materiality level		5,000	5,000	0	0	0	0
Total Other Deductions		101,058	34,056	67,002	51,999	7,838	7,165

TAXABLE INCOME	=	1,937,334	-106,569	2,043,903	491,217	923,959	628,727
DEDUCT:							
Non-capital loss applied	positive number			0			
Net capital loss applied	positive number			0			
NET TAXABLE INCOME	=	1,937,334	(106,569)	2,043,903	491,217	923,959	628,727
			-5.50%		24.03%	45.21%	30.76%

FROM ACTUAL TAX RETURNS								
Net Federal Income Tax	(Must agree with tax return)	+	428,448	(23,568)	452,016	108,634	204,337	139,045
Net Ontario Income Tax	(Must agree with tax return)	+	270,169	(14,861)	285,030	68,502	128,850	87,678
Subtotal		=	698,617	(38,429)	737,046	177,136	333,187	226,723
Less: Miscellaneous tax credits	(Must agree with tax returns)	-	0		0			
Total Income Tax		=	698,617	(38,429)	737,046	177,136	333,187	226,723

APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate (Must agree with tax status)	13.12%	13.12%
Net Ontario Income Tax Rate (Must agree with tax status)	5.50%	5.50%
Blended Income Tax Rate	18.62%	18.62%

Section D: Detailed calculation of Ontario Capital Tax

ONTARIO CAPITAL TAX

(From Ontario CT23)

PAID-UP CAPITAL

Paid-up capital stock	+	23,900,000	7,229,320	16,670,680	12,937,886	1,950,083	1,782,711	percentage of net assets
Retained earnings (if deficit, deduct)	+/-	5,998,551	1,814,454	4,184,097	3,247,221	489,442	447,434	percentage of net assets
Capital and other surplus excluding appraisal surplus	+			0				
Loans and advances	+	30,631,945	9,265,612	21,366,333	16,582,118	2,499,366	2,284,849	percentage of net assets
Bank loans	+			0				
Bankers acceptances	+			0				
Bonds and debentures payable	+			0				
Mortgages payable	+			0				
Lien notes payable	+			0				
Deferred credits	+	2,123,240	642,242	1,480,998	1,149,382	173,242	158,373	percentage of net assets
Contingent, investment, inventory and similar reserves	+	2,099,800	635,152	1,464,648	1,136,693	171,330	156,625	percentage of net assets
Other reserves not allowed as deductions	+			0				
Share of partnership(s), joint venture(s) paid-up capital	+			0				
Sub-total	=	64,753,536	19,586,779	45,166,757	35,053,301	5,283,463	4,829,992	
Subtract:								
Amounts deducted for income tax purposes in excess of amounts booked	-	7,127,198	2,155,849	4,971,349	3,858,196	581,533	531,621	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0				
Total (Net) Paid-up Capital	=	57,626,338	17,430,930	40,195,408	31,195,105	4,701,931	4,298,372	

ELIGIBLE INVESTMENTS

Bonds, lien notes, interest coupons	+			0			
Mortgages due from other corporations	+			0			
Shares in other corporations	+			0			
Loans and advances to unrelated corporations	+			0			
Eligible loans and advances to related corporations	+			0			
Share of partnership(s) or joint venture(s) eligible investments	+			0			
Total Eligible Investments	=	0	0	0			

TOTAL ASSETS

Total assets per balance sheet	+	78,750,000	23,820,458	54,929,542	42,630,065	6,425,483	5,873,994	percentage of net assets
Mortgages or other liabilities deducted from assets	+			0				
Share of partnership(s)/ joint venture(s) total assets	+			0				
Subtract: Investment in partnership(s)/joint venture(s)	-			0				
Total assets as adjusted	=	78,750,000	23,820,458	54,929,542	42,630,065	6,425,483	5,873,994	

Add: (if deducted from assets)								
Contingent, investment, inventory and similar reserves	+			0				
Other reserves not allowed as deductions	+			0				
Subtract:				0				
Amounts deducted for income tax purposes in excess of amounts booked	-	7,127,198	2,155,849	4,971,349	3,858,196	581,533	531,621	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0				
Subtract: Appraisal surplus if booked	-			0				
Add or subtract: Other adjustments	+/-			0				
Total Assets	=	71,622,802	21,664,609	49,958,193	38,771,869	5,843,950	5,342,374	

Investment Allowance		0	0	0	0	0	0
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Taxable Capital

Net paid-up capital	+	57,626,338	17,430,930	40,195,408	31,195,105	4,701,931	4,298,372
Subtract: Investment Allowance	-	0	0	0	0	0	0
Taxable Capital	=	57,626,338	17,430,930	40,195,408	31,195,105	4,701,931	4,298,372

Capital Tax Calculation

Deduction from taxable capital up to maximum of \$7,500,000 (Input in tab Tax Rates)		1,129,206	341,564	787,642	611,278	92,136	84,228	percentage of net assets
Net Taxable Capital		56,497,132	17,089,366	39,407,766	30,583,827	4,609,795	4,214,144	
Rate		0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	
Days in taxation year		365	365	365	365	365	365	
Divide days by 365		1.00	1.00	1.00	1.00	1.00	1.00	
Ontario Capital Tax (as calculated)		169,491	51,268	118,223	91,751	13,829	12,642	
Ontario Capital Tax (Must agree with CT23 return)		169,491	51,268	118,223	91,751	13,829	12,642	percentage of net assets

Section E: Detailed calculation of Large Corporations Tax

LARGE CORPORATIONS TAX

(From Federal Schedule 33)

CAPITAL

ADD:								
Reserves that have not been deducted in computing income for the year under Part I	+	4,223,040	1,277,394	2,945,646	2,286,076	344,572	314,998	percentage of net assets
Capital stock	+	23,900,000	7,229,320	16,670,680	12,937,886	1,950,083	1,782,711	percentage of net assets
Retained earnings	+	5,998,551	1,814,454	4,184,097	3,247,221	489,442	447,434	percentage of net assets
Contributed surplus	+			0				
Any other surpluses	+			0				
Deferred unrealized foreign exchange gains	+			0				
All loans and advances to the corporation	+	631,945	191,152	440,793	342,093	51,563	47,137	percentage of net assets
All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	30,000,000	9,074,460	20,925,540	16,240,025	2,447,803	2,237,712	percentage of net assets
Any dividends declared but not paid	+			0				
All other indebtedness outstanding for more than 365 days	+			0				
Subtotal	=	64,753,536	19,586,779	45,166,757	35,053,301	5,283,463	4,829,992	
DEDUCT:								
Deferred tax debit balance	-			0				
Any deficit deducted in computing shareholders' equity	-			0				
Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0				
Deferred unrealized foreign exchange losses	-			0				
Subtotal	=	0	0	0				
Capital for the year		64,753,536	19,586,779	45,166,757	35,053,301	5,283,463	4,829,992	

INVESTMENT ALLOWANCE

Shares in another corporation	+			0			
Loan or advance to another corporation	+			0			
Bond, debenture, note, mortgage, or similar obligation of another corporation	+			0			
Long term debt of financial institution	+			0			
Dividend receivable from another corporation	+			0			
Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0			
Interest in a partnership	+			0			
Investment Allowance	=	0	0	0			

TAXABLE CAPITAL

Capital for the year	=	64,753,536	19,586,779	45,166,757	35,053,301	5,283,463	4,829,992
Deduct: Investment allowance	-	0	0	0			
Taxable Capital for taxation year	=	64,753,536	19,586,779	45,166,757	35,053,301	5,283,463	4,829,992

Deduct: Capital Deduction - maximum of \$50,000,000 (Input in tab Tax Rates)	-	2,000,000	604,964	1,395,036	1,082,668	163,187	149,181	percentage of net assets
Taxable Capital	=	62,753,536	18,981,815	43,771,721	33,970,633	5,120,276	4,680,812	
Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005		0.20000%	0.20000%	0.20000%	0.20000%	0.20000%	0.20000%	
Days in year		365	365	365	365	365	365	
Divide days by 365		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
Gross Part I.3 Tax LCT (Must agree with tax return)	=	125,507	37,964	87,543	67,941	10,241	9,362	
Federal Surtax Rate		1.1200%	1.1200%	1.1200%	1.1200%	1.1200%	1.1200%	
Less: Federal Surtax = Actual Surtax from tax return	-	21,694	6,562	15,132	11,744	1,770	1,618	percentage of net assets
Net Part I.3 Tax - LCT Payable (Must agree with tax return) (If surtax is greater than Gross LCT, then zero)	=	103,813	31,402	72,411	56,198	8,470	7,743	

Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	698,617	-38,429	737,046	177,136	333,187	226,723
Ontario Capital Tax	+	169,491	51,268	118,223	91,751	13,829	12,642
Federal Large Corporations Tax	+	103,813	31,402	72,411	56,198	8,470	7,743
Total income and capital taxes	=	971,921	44,240	927,681	325,085	355,486	247,109

2005 TAX RETURN RECONCILIATION

SIMPIL RRR FILING
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)
RRR # 2.1.8

LINE	M of F Corporate Tax Return	Non-wires Eliminations (positive numbers)	Wires-only Tax Return	Wires-only Tax Return Fort Erie	Wires-only Tax Return Port Colborne	Wires-only Tax Return EOP	Basis of Allocation
------	--------------------------------------	-------------------------------------------------	-----------------------------	------------------------------------------	----------------------------------------------	------------------------------------	---------------------

Section A: Identification:

Utility Name: Canadian Niagara Power Inc.

Reporting period: 2005 REV 4

Taxation Year's start date:

Jan 01, 2005

Taxation Year's end date:

Dec 31, 2005

Number of days in taxation year:

365 days

Please enter the Materiality Level :

0 < - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

Y

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statement 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 expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	0	0	0	0	0	0
Distribution Revenue	+	0	0	0	0	0	0
Other Income	+	62,702,117	5,023,819	57,678,298	30,046,020	18,806,705	8,825,573
Miscellaneous income	+	-848,117	-67,727	-780,390	85,980	(684,705)	-181,665
	+			0			

per Trial Balance
residual

Revenue should be entered above this line

61,854,000 4,956,092 56,897,908 30,132,000 18,122,000 8,643,908

Costs and Expenses:

Cost of energy purchased	-	44,092,914		44,092,914	21,987,098	15,490,217	6,615,599
Administration	-	4,673,282	566,995	4,106,287	2,054,494	1,208,161	843,632
Customer billing and collecting	-	1,515,417		1,515,417	1,013,738	501,679	0
Operations and maintenance	-	3,191,295	345,100	2,846,195	1,741,455	688,479	416,261
Amortization (links to C61 below)	-	3,484,545	751,947	2,732,598	2,293,303	199,412	239,883
Ontario Capital Tax	-	166,169	48,544	117,625	62,292	37,464	17,870
CDM Expenses for 2005	-			0			
Operating lease	-	1,591,000	1,591,000	0		0	
	-			0			
	-			0			
	-			0			

residual
per Financial Statements
per Financial Statements
per Financial Statements
per Financial Statements
% distribution operating revenues

100% non-wires

Net Income Before Interest & Income Taxes EBIT

Less: Interest expense for accounting purposes

Provision for payments in lieu of income taxes

Net Income (loss)

(The Net Income (loss) in the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)

=	3,139,378	1,652,506	1,486,872	979,620	-3,412	510,663
-	2,331,186	989,334	1,341,852	810,352	410,648	120,852
-	634,579	922,143	-287,564	172,538	(616,825)	156,722
=	173,613	-258,971	432,584	-3,270	202,765	233,089

per F/S for trans, % of deemed int
per F/S for trans, % of EBIT for dist

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	634,579	922,143	-287,564	172,538	-616,825	156,722
Federal large corporations tax	+			0			
Depreciation & Amortization	+	3,484,545	751,947	2,732,598	2,293,303	199,412	239,883
Employee benefit plans-accrued, not paid	+		0	0			
Tax reserves - beginning of year	+	228,659	0	228,659	171,527	33,154	23,978
Reserves from financial statements- end of year	+	822,221	244,487	577,734	433,382	83,768	60,584
Regulatory adjustments	+			0			
Regulatory Assets changes	+			0			
Material addition items from TAXREC 2	+	117,432	34,918	82,514	61,897	11,964	8,653
Other addition items (not Material) from TAXREC 2	+	19,170	5,700	13,470	10,104	1,953	1,413
Subtotal		5,306,606	1,959,195	3,347,411	3,142,751	-286,574	491,233

100% wires, % of wires net assets
percentage of net assets

percentage of net assets
percentage of net assets

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0			
Deferred financing costs	+	90,247	26,835	63,412	47,568	9,194	6,650
Ontario apprentice and co-op credits	+	7,000	2,081	4,919	3,690	713	516
	+			0			
Capital tax accrued in income statement	+			0			
	+			0			
	+			0			
	+			0			
Total Other Additions	=	97,247	28,916	68,331	51,258	9,908	7,166

percentage of net assets
percentage of net assets
percentage of operating expenses
percentage of net assets
percentage of operating expenses

Total Additions

= 5,403,853 1,988,111 3,415,742 3,194,009 -276,666 498,399

Recap Material Additions:

		0	0	0	0	0	0
Deferred financing costs		90,247	26,835	63,412	47,568	9,194	6,650
		0	2,081	4,919	3,690	713	516
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
Total Other additions >materiality level		90,247	28,916	68,331	51,258	9,908	7,166
Other deductions (less than materiality level)		7,000	0	0	0	0	0
Total Other Additions		97,247	28,916	68,331	51,258	9,908	7,166

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	3,587,643	1,066,782	2,520,861	1,891,001	365,509	264,350	percentage of net assets
Cumulative eligible capital deduction	-	10,129	3,012	7,117	5,339	1,032	746	percentage of net assets
Employee benefit plans-paid amounts	-			0				
Items capitalized for regulatory purposes	-	949,290	282,270	667,020	500,359	96,714	69,947	percentage of net assets
Regulatory adjustments :	-			0				
CCA	-			0				
other deductions	-			0				
Regulatory Assets changes	-			0				
Tax reserves - end of year	-	0	0	0				percentage of net assets
Reserves from financial statements- beginning of year	-	1,007,079	299,454	707,625	530,819	102,601	74,205	percentage of net assets
Contributions to deferred income plans	-			0				
Contributions to pension plans	-			0				
Interest capitalized for accounting deducted for tax	-	18,305	5,443	12,862	9,648	1,865	1,349	percentage of net assets
Material deduction items from TAXREC 2	-	0	0	0				
Other deduction items (not Material) from TAXREC 2	-	0	0	0				percentage of net assets
Subtotal	=	5,572,446	1,656,962	3,915,484	2,937,166	567,721	410,598	
Other deductions (Please explain the nature of the deductions)	-			0				
Charitable donations - tax basis	-			0				percentage of net assets
Gain on disposal of assets	-			0				percentage of net assets
Deferred financing costs	-	96,058	28,563	67,495	50,631	9,786	7,078	percentage of net assets
Capital tax per CT23	-			0				percentage of net assets
Total Other Deductions	=	96,058	28,563	67,495	50,631	9,786	7,078	
Total Deductions	=	5,668,504	1,685,524	3,982,980	2,987,797	577,507	417,676	

Recap Material Deductions:							
		0	0	0	0	0	0
		0	0	0	0	0	0
Deferred financing costs		96,058	28,563	67,495	50,631	9,786	7,078
		0	0	0	0	0	0
		0	0	0	0	0	0
Total Other Deductions exceed materiality level		96,058	28,563	67,495	50,631	9,786	7,078
Other Deductions less than materiality level		0	0	0	0	0	0
Total Other Deductions		96,058	28,563	67,495	50,631	9,786	7,078

TAXABLE INCOME	=	-91,038	43,616	-134,654	202,942	-651,408	313,813
DEDUCT:							
Non-capital loss applied	positive number			0			
Net capital loss applied	positive number			0			
NET TAXABLE INCOME	=	(91,038)	43,616	(134,654)	202,942	(651,408)	313,813
			47.91%		-150.71%	483.76%	-233.05%

FROM ACTUAL TAX RETURNS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS			
Net Federal Income Tax Rate	(Must agree with tax status)	13.12%	13.12%
Net Ontario Income Tax Rate	(Must agree with tax status)	5.50%	5.50%
Blended Income Tax Rate		18.62%	18.62%

Section D: Detailed calculation of Ontario Capital Tax

ONTARIO CAPITAL TAX

(From Ontario CT23)

PAID-UP CAPITAL

Paid-up capital stock	+	23,900,000	7,106,643	16,793,357	12,597,389	2,434,931	1,761,038	percentage of net assets
Retained earnings (if deficit, deduct)	+/-	6,172,164	1,835,287	4,336,877	3,253,270	628,820	454,787	percentage of net assets
Capital and other surplus excluding appraisal surplus	+			0				
Loans and advances	+	30,577,928	9,092,318	21,485,610	16,117,240	3,115,278	2,253,091	percentage of net assets
Bank loans	+			0				
Bankers acceptances	+			0				
Bonds and debentures payable	+			0				
Mortgages payable	+			0				
Lien notes payable	+			0				
Deferred credits	+	2,680,504	797,045	1,883,459	1,412,860	273,090	197,509	percentage of net assets
Contingent, investment, inventory and similar reserves	+	2,129,300	633,145	1,496,155	1,122,327	216,933	156,894	percentage of net assets
Other reserves not allowed as deductions	+			0				
Share of partnership(s), joint venture(s) paid-up capital	+			0				
Sub-total	=	65,459,896	19,464,439	45,995,457	34,503,086	6,669,051	4,823,319	
Subtract:								
Amounts deducted for income tax purposes in excess of amounts booked	-	8,061,877	2,397,192	5,664,685	4,249,314	821,344	594,028	percentage of net assets
Deductible R&D expenditures and ONTI costs deferred for income tax	-			0				
Total (Net) Paid-up Capital	=	57,398,019	17,067,247	40,330,772	30,253,772	5,847,708	4,229,291	

ELIGIBLE INVESTMENTS

Bonds, lien notes, interest coupons	+			0			
Mortgages due from other corporations	+			0			
Shares in other corporations	+			0			
Loans and advances to unrelated corporations	+			0			
Eligible loans and advances to related corporations	+			0			
Share of partnership(s) or joint venture(s) eligible investments	+			0			
Total Eligible Investments	=	0	0	0			

TOTAL ASSETS

Total assets per balance sheet	+	83,802,000	24,918,447	58,883,553	44,170,978	8,537,744	6,174,831	percentage of net assets
Mortgages or other liabilities deducted from assets	+			0				
Share of partnership(s)/ joint venture(s) total assets	+			0				
Subtract: Investment in partnership(s)/joint venture(s)	-			0				
Total assets as adjusted	=	83,802,000	24,918,447	58,883,553	44,170,978	8,537,744	6,174,831	

Add: (if deducted from assets)				0				
Contingent, investment, inventory and similar reserves	+			0				
Other reserves not allowed as deductions	+			0				
Subtract:				0				
Amounts deducted for income tax purposes in excess of amounts booked	-	8,061,877	2,397,192	5,664,685	4,249,314	821,344	594,028	percentage of net assets
Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0				
Subtract: Appraisal surplus if booked	-			0				
Add or subtract: Other adjustments	+/-			0				
Total Assets	=	75,740,123	22,521,255	53,218,868	39,921,664	7,716,400	5,580,803	

Investment Allowance		0	0	0	0	0	0
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Taxable Capital

Net paid-up capital	+	57,398,019	17,067,247	40,330,772	30,253,772	5,847,708	4,229,291
Subtract: Investment Allowance	-	0	0	0	0	0	0
Taxable Capital	=	57,398,019	17,067,247	40,330,772	30,253,772	5,847,708	4,229,291

Capital Tax Calculation

Deduction from taxable capital up to maximum of \$7,500,000 (Input in tab Tax Rates)		1,711,714	508,977	1,202,737	902,223	174,389	126,125	percentage of net assets
Net Taxable Capital		55,686,305	16,558,271	39,128,034	29,351,550	5,673,318	4,103,166	
Rate		0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	
Days in taxation year		365	365	365	365	365	365	
Divide days by 365		1.00	1.00	1.00	1.00	1.00	1.00	
Ontario Capital Tax (as calculated)		167,059	49,675	117,384	88,055	17,020	12,309	
Ontario Capital Tax (Must agree with CT23 return)		160,059	47,593	112,466	84,365	16,307	11,794	percentage of net assets

Section E: Detailed calculation of Large Corporations Tax

LARGE CORPORATIONS TAX

(From Federal Schedule 33)

CAPITAL

ADD:								
Reserves that have not been deducted in computing income for the year under Part I	+	4,809,804	1,430,191	3,379,613	2,535,187	490,023	354,404	percentage of net assets
Capital stock	+	23,900,000	7,106,643	16,793,357	12,597,389	2,434,931	1,761,038	percentage of net assets
Retained earnings	+	6,172,164	1,835,287	4,336,877	3,253,270	628,820	454,787	percentage of net assets
Contributed surplus	+			0				
Any other surpluses	+			0				
Deferred unrealized foreign exchange gains	+			0				
All loans and advances to the corporation	+	577,928	171,846	406,082	304,619	58,879	42,584	percentage of net assets
All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+	30,000,000	8,920,472	21,079,528	15,812,622	3,056,399	2,210,507	percentage of net assets
Any dividends declared but not paid	+			0				
All other indebtedness outstanding for more than 365 days	+			0				
Subtotal	=	65,459,896	19,464,439	45,995,457	34,503,086	6,669,051	4,823,319	

DEDUCT:				0				
Deferred tax debit balance	-			0				
Any deficit deducted in computing shareholders' equity	-			0				
Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0				
Deferred unrealized foreign exchange losses	-			0				
Subtotal	=	0	0	0				

Capital for the year		65,459,896	19,464,439	45,995,457	34,503,086	6,669,051	4,823,319
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INVESTMENT ALLOWANCE

Shares in another corporation	+			0			
Loan or advance to another corporation	+			0			
Bond, debenture, note, mortgage, or similar obligation of another corporation	+			0			
Long term debt of financial institution	+			0			
Dividend receivable from another corporation	+			0			
Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0			
Interest in a partnership	+			0			
Investment Allowance	=	0	0	0			

TAXABLE CAPITAL

Capital for the year	=	65,459,896	19,464,439	45,995,457	34,503,086	6,669,051	4,823,319
Deduct: Investment allowance	-	0	0	0			
Taxable Capital for taxation year	=	65,459,896	19,464,439	45,995,457	34,503,086	6,669,051	4,823,319

Deduct: Capital Deduction - maximum of \$50,000,000 (Input in tab Tax Rates)	-	1,000,000	297,349	702,651	527,087	101,880	73,684	percentage of net assets
Taxable Capital	=	64,459,896	19,167,090	45,292,806	33,975,999	6,567,171	4,749,636	
Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005		0.17500%	0.17500%	0.17500%	0.17500%	0.17500%	0.17500%	
Days in year		365	365	365	365	365	365	
Divide days by 365		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
Gross Part I.3 Tax LCT (Must agree with tax return)	=	112,805	33,542	79,262	59,458	11,493	8,312	
Federal Surtax Rate		1.1200%	1.1200%	1.1200%	1.1200%	1.1200%	1.1200%	
Less: Federal Surtax = Actual Surtax from tax return	-			0				percentage of net assets
Net Part I.3 Tax - LCT Payable (Must agree with tax return) (If surtax is greater than Gross LCT, then zero)	=	112,805	33,542	79,262	59,458	11,493	8,312	

Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	32,328	15,488	16,840	-25,380	81,465	-39,245
Ontario Capital Tax	+	160,059	47,593	112,466	84,365	16,307	11,794
Federal Large Corporations Tax	+	112,805	33,542	79,262	59,458	11,493	8,312
Total income and capital taxes	=	305,192	96,624	208,568	118,443	109,264	-19,140

2001 CNPI AUDITED FINANCIAL STATEMENTS

Canadian Niagara Power Inc.

Financial Statements

December 31, 2001

(in thousands of dollars)

January 25, 2002

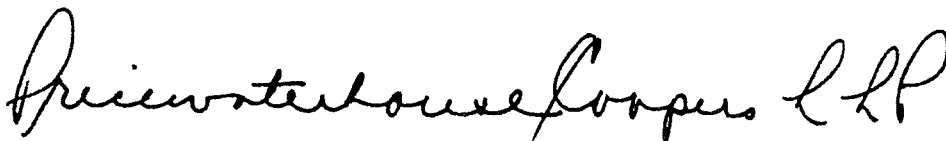
Auditors' Report

To the Shareholder of
Canadian Niagara Power Inc.

We have audited the balance sheet of **Canadian Niagara Power Inc.** as at December 31, 2001 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Hamilton, Ontario

Canadian Niagara Power Inc.

Balance Sheet

As at December 31, 2001

(in thousands of dollars)

	2001 \$	2000 \$
Assets		
Current assets		
Cash	302	131
Accounts receivable	2,743	2,812
Materials and supplies, at average cost	910	905
Prepaid expenses	137	94
	4,092	3,942
Utility plants (note 2)	47,286	43,581
Accrued pension benefit asset (note 3)	1,838	1,860
Other assets	125	21
	53,341	49,404
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,242	1,250
Income taxes payable	452	77
Due to parent (note 5)	1,019	8,315
	2,713	9,642
Notes payable to parent (note 5)	24,821	14,821
Future income taxes	456	317
Accrued other retirement benefit liability (note 3)	1,979	1,905
Contributions in aid of construction	1,164	894
	31,133	27,579
Shareholder's Equity		
Capital stock (note 4)	21,400	21,400
Retained earnings	808	425
	22,208	21,825
	53,341	49,404

Approved by the Board of Directors

Director

Director

Canadian Niagara Power Inc.
Statement of Earnings and Retained Earnings
For the year ended December 31, 2001

(in thousands of dollars)

	2001 \$	2000 \$
Operating revenue	20,954	21,110
Expenses		
Operating	6,250	6,708
Purchased power	10,905	11,186
Other taxes	430	241
Amortization	2,161	2,091
	19,746	20,226
Operating earnings	1,208	884
Other income (expense)		
Services revenue	903	829
Loss on disposal of capital assets	(460)	(142)
Interest expense	(797)	(1,240)
Other	9	8
	(345)	(545)
Earnings before income taxes	863	339
Provision for income taxes		
Current	189	140
Future	291	86
	480	226
Earnings for the year	383	113
Retained earnings – Beginning of year	425	312
Retained earnings – End of year	808	425

Canadian Niagara Power Inc.

Statement of Cash Flows

For the year ended December 31, 2001

(in thousands of dollars)

	2001 \$	2000 \$
Cash flows from (used in)		
Operating activities		
Earnings for the year	383	113
Items not affecting cash		
Amortization	2,161	2,091
Future income taxes	139	545
Loss on sale of utility plant assets	460	142
Accrued pension benefits	22	(40)
Accrued other retirement benefits	74	(107)
	<u>3,239</u>	<u>2,744</u>
Changes in non-cash working capital		
Accounts receivable	69	(594)
Materials and supplies	(5)	(17)
Prepaid expenses	(43)	(31)
Accounts payable and accrued liabilities	(8)	(1,035)
Income taxes payable	375	(495)
	<u>388</u>	<u>(2,172)</u>
	<u>3,627</u>	<u>572</u>
Investing activities		
Additions to utility plant assets	(6,348)	(6,208)
Proceeds on sale of utility plant assets	22	77
Additions to other assets	(104)	(21)
Increase in contributions in aid of construction	270	90
	<u>(6,160)</u>	<u>(6,062)</u>
Financing activity		
Increase in amounts due to parent	2,704	4,374
Increase (decrease) in cash during the year	<u>171</u>	<u>(1,116)</u>
Cash – Beginning of year	<u>131</u>	<u>1,247</u>
Cash – End of the year	<u>302</u>	<u>131</u>
Supplemental cash flow information		
Cash paid during the year for		
Interest	1,012	1,363
Income taxes	166	406

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2001

(in thousands of dollars)

1 Summary of significant accounting policies

Incorporation

The Corporation, a wholly owned subsidiary of Canadian Niagara Power Company, Limited, was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) ("the Act"). The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out in a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations.

Utility plants

Utility plants are stated at cost. Amortization is provided over the estimated useful lives of the utility plants using the straight-line method at a composite rate of 3.5% (2000 - 3.5%).

Contributions in aid of construction represent property, plant and equipment contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contributed portion of the assets involved.

Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the balance sheet date. Gains and losses on translation are included in the statement of earnings. Revenues and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the transaction date.

Employee benefit plans

The Corporation accrues its obligations under employee benefit plans. The cost of pension benefits and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of discount rates, salary escalation, retirement ages of employees and expected health care costs. Pension plan assets are valued at fair value. The excess of any cumulative net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

Income taxes

The Corporation follows the asset and liability method of accounting for income taxes. Under this method future income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities. Future tax assets and liabilities are measured using enacted and substantially enacted rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2001

(in thousands of dollars)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fair value of financial instruments

Short-term financial instruments are valued at their carrying amounts which are reasonable estimates for fair values due to the relatively short period to maturity of the instruments. This approach applies to cash, accounts receivable, accounts payable and accrued liabilities, income taxes payable, and due to related party. The fair value of the notes payable to parent is not readily determinable.

2 Utility plants

	2001 \$	2000 \$
Utility plants	65,019	60,202
Less: Accumulated amortization	17,733	16,621
	<hr/> 47,286	<hr/> 43,581

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2001

(in thousands of dollars)

3 Employee future benefits

The Corporation is a participating employer with its parent Canadian Niagara Power Company, Limited in a defined benefit pension plan and a defined benefit plan providing other retirement benefits.

Information about the Corporation's defined benefit plans as at December 31, 2001 is as follows:

	<u>Pension benefit plan</u>		<u>Other retirement plan</u>	
	2001 \$	2000 \$	2001 \$	2000 \$
Accrued benefit asset (liability)				
Accrued benefit obligation	(9,607)	(8,725)	(1,911)	(1,735)
Fair value of plan assets	11,485	11,058	-	-
Funded status – plan surplus (deficit)	<u>1,878</u>	<u>2,333</u>	<u>(1,911)</u>	<u>(1,735)</u>
Accrued benefit asset (liability)	<u>1,838</u>	<u>1,860</u>	<u>(1,979)</u>	<u>(1,905)</u>
Significant assumptions used				
Discount rate	6.75%	7%	6.5%	6.75%
Expected long-term rate of return on plan assets	7.5%	8%	-	-
Rate of compensation increase	5%	5%	4%	5%
Average remaining service period of active employees (years)	21	21	19	19
Other information				
Net benefit expense for the year	21	(13)	218	2
Benefits paid	829	893	144	106

4 Capital stock

The authorized and issued shares consist of 21,400,000 (2000 - 21,400,000) common shares without par value.

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2001

(in thousands of dollars)

5 Related party transactions

During the year, the Corporation entered into the following transactions with its parent company, Canadian Niagara Power Company, Limited ("CNP Ltd.") and Niagara Mohawk Power Corporation ("NIMO"), a related company:

	2001 \$	2000 \$
Revenues		
Administrative service fees from CNP Ltd.	618	521
Reimbursement of expenses from CNP Ltd.	780	199
Expenses		
Purchases of electric power from CNP Ltd.	10,904	11,185
Management fees paid to CNP Ltd.	342	193
Rent paid to CNP Ltd.	864	864
Payroll charges paid to CNP Ltd.	-	14
Interest on note payable paid to CNP Ltd.	1,012	1,325
Capital assets		
Purchase and rental of capital assets from NIMO	-	1,335

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

At the end of the year, the balances due to the Corporation's parent company are summarized as follows:

	2001 \$	2000 \$
Due to parent	1,019	8,315
Note payable to parent, bearing interest at 7.1225% maturing April 30, 2005	20,000	-
Note payable to parent, bearing interest at the Canadian Imperial Bank of Commerce banker's acceptance rate plus 1%, due on demand	4,821	14,821
	24,821	14,821

The amount due to parent is subject to normal trade credit terms.

The note payable due on demand is not anticipated to be repaid in the current year and has therefore been classified as long-term.

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2001

(in thousands of dollars)

6 Lease commitments

The Corporation entered into a ten year operating lease agreement in July 2001 to lease the assets of Port Colborne Hydro Inc. Under the terms of the lease, the Corporation will be required to make monthly rental payments of \$121. The Corporation is awaiting regulatory approval of the agreement from the Ontario Energy Board. The lease term will commence once regulatory approval is received.

7 Comparative amounts

Certain comparative figures for the prior year have been restated to conform with the presentation adopted in the current year.

2002 CNPI AUDITED FINANCIAL STATEMENTS

Canadian Niagara Power Inc.

Financial Statements
December 31, 2002
(in thousands of dollars)

January 24, 2003

Auditors' Report

**To the Shareholder of
Canadian Niagara Power Inc.**

We have audited the balance sheet of **Canadian Niagara Power Inc.** as at December 31, 2002 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

Hamilton, Ontario

Canadian Niagara Power Inc.

Balance Sheet

As at December 31, 2002

(in thousands of dollars)

	2002 \$	2001 \$
Assets		
Current assets		
Cash	-	302
Accounts receivable	7,887	2,743
Materials and supplies, at average cost	1,111	910
Prepaid expenses	757	137
	<u>9,755</u>	<u>4,092</u>
Utility plants (note 2)	48,910	47,286
Accrued pension benefit asset (note 3)	1,766	1,838
Other assets	888	125
	<u>61,319</u>	<u>53,341</u>
Liabilities		
Current liabilities		
Bank indebtedness (note 4)	1,131	-
Accounts payable and accrued liabilities	6,075	1,242
Income taxes payable	387	452
Due to parent (note 6)	1,556	1,019
	<u>9,149</u>	<u>2,713</u>
Notes payable to parent (note 6)	24,821	24,821
Future income taxes	892	456
Accrued other retirement benefit liability (note 3)	1,938	1,979
Contributions in aid of construction	1,433	1,164
	<u>38,233</u>	<u>31,133</u>
Shareholder's Equity		
Capital stock (note 5)	21,400	21,400
Retained earnings	1,686	808
	<u>23,086</u>	<u>22,208</u>
	<u>61,319</u>	<u>53,341</u>

Approved by the Board of Directors

Director

Director

Canadian Niagara Power Inc.

Statement of Earnings and Retained Earnings

For the year ended December 31, 2002

(in thousands of dollars)

	2002 \$	2001 \$
Operating revenue	44,741	20,954
Expenses		
Operating	39,581	17,585
Operating lease	1,133	-
Amortization	2,394	2,161
	43,108	19,746
Operating earnings	1,633	1,208
Other income (expense)		
Services revenue	1,474	903
Interest expense	(1,580)	(797)
Other	(14)	(451)
	(120)	(345)
Earnings before income taxes	1,513	863
Provision for income taxes		
Current	580	189
Future	55	291
	635	480
Earnings for the year	878	383
Retained earnings – Beginning of year	808	425
Retained earnings – End of year	1,686	808

Canadian Niagara Power Inc.

Statement of Cash Flows

For the year ended December 31, 2002

(in thousands of dollars)

	2002 \$	2001 \$
Cash flows from (used in)		
Operating activities		
Earnings for the year	878	383
Items not affecting cash		
Amortization	2,394	2,161
Future income taxes	436	139
Loss (gain) on sale of utility plant assets	(14)	460
Accrued pension benefits	72	22
Accrued other retirement benefits	(41)	74
	<u>3,725</u>	<u>3,239</u>
Changes in non-cash working capital		
Accounts receivable	(5,144)	69
Materials and supplies	(201)	(5)
Prepaid expenses	(620)	(43)
Accounts payable and accrued liabilities	4,833	(8)
Income taxes payable	(65)	375
	<u>(1,197)</u>	<u>388</u>
	<u>2,528</u>	<u>3,627</u>
Investing activities		
Additions to utility plant assets	(4,019)	(6,348)
Proceeds on sale of utility plant assets	15	22
Additions to other assets	(763)	(104)
Increase in contributions in aid of construction	269	270
	<u>(4,498)</u>	<u>(6,160)</u>
Financing activity		
Increase in amounts due to parent	537	2,704
Increase (decrease) in cash during the year	<u>(1,433)</u>	<u>171</u>
Cash – Beginning of year	<u>302</u>	<u>131</u>
Cash (bank indebtedness) – End of the year	<u>(1,131)</u>	<u>302</u>
Supplemental cash flow information		
Cash paid during the year for		
Interest	1,599	1,012
Income taxes	530	166

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2002

(in thousands of dollars)

1 Summary of significant accounting policies

Incorporation

The Corporation, a wholly owned subsidiary of Canadian Niagara Power Company, Limited, was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) ("the Act"). The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out in a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations.

Utility plants

Utility plants are stated at cost. Amortization is provided over the estimated useful lives of the utility plants using the straight-line method at a composite rate of 3.5% (2001 - 3.5%).

Contributions in aid of construction represent property, plant and equipment contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contributed portion of the assets involved.

Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the balance sheet date. Gains and losses on translation are included in the statement of earnings. Revenues and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the transaction date.

Employee benefit plans

The Corporation accrues its obligations under employee benefit plans. The cost of pension benefits and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of discount rates, salary escalation, retirement ages of employees and expected health care costs. Pension plan assets are valued at fair value. The excess of any cumulative net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

Income taxes

The Corporation follows the asset and liability method of accounting for income taxes. Under this method future income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities. Future tax assets and liabilities are measured using enacted and substantially enacted rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2002

(in thousands of dollars)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fair value of financial instruments

Short-term financial instruments are valued at their carrying amounts which are reasonable estimates for fair values due to the relatively short period to maturity of the instruments. This approach applies to accounts receivable, accounts payable and accrued liabilities, income taxes payable, and due to related party. The fair value of the notes payable to parent is not readily determinable.

2 Utility plants

	2002 \$	2001 \$
Utility plants	69,022	65,019
Less: Accumulated amortization	20,112	17,733
	<u>48,910</u>	<u>47,286</u>

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2002

(in thousands of dollars)

3 Employee future benefits

The Corporation is a participating employer with its parent Canadian Niagara Power Company, Limited in a defined benefit pension plan and a defined benefit plan providing other retirement benefits.

Information about the Corporation's defined benefit plans as at December 31, 2002 is as follows:

	Pension benefit plan		Other retirement plan	
	2002 \$	2001 \$	2002 \$	2001 \$
Accrued benefit asset (liability)				
Accrued benefit obligation	(9,087)	(9,607)	(2,674)	(1,911)
Fair value of plan assets	9,699	11,485	-	-
Funded status— plan surplus (deficit)	612	1,878	(2,674)	(1,911)
Accrued benefit asset (liability)	1,766	1,838	(1,938)	(1,979)
Significant assumptions used				
Discount rate	6.75%	6.75%	6.75%	6.5%
Expected long-term rate of return on plan assets	7.5%	7.5%	-	-
Rate of compensation increase	4%	5%	4.5%	4%
Average remaining service period of active employees (years)	20	21	18	19
Other information				
Net benefit expense for the year	72	21	210	218
Benefits paid	714	829	251	144

4 Bank indebtedness

The Corporation's bank indebtedness, as part of a credit facility, bears interest ranging from the bank's Base Rate to Base Rate plus 0.75%.

5 Capital stock

The authorized and issued shares consist of 21,400,000 (2001 - 21,400,000) common shares without par value.

Canadian Niagara Power Inc.

Notes to Financial Statements

December 31, 2002

(in thousands of dollars)

6 Related party transactions

During the year, the Corporation entered into the following transactions with its parent company, Canadian Niagara Power Company, Limited ("CNP Ltd."):

	2002 \$	2001 \$
Revenues		
Administrative service fees	1,202	618
Expenses		
Purchases of electric power	3,769	10,904
Management fees	432	342
Rent	864	864
Interest	1,598	1,012

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

At the end of the year, the balances due to the Corporation's parent company are summarized as follows:

	2002 \$	2001 \$
Due to parent	1,556	1,019
Note payable to parent, bearing interest at 7.1225% maturing April 30, 2005	20,000	20,000
Note payable to parent, bearing interest at the Canadian Imperial Bank of Commerce banker's acceptance rate plus 1%, due on demand	4,821	4,821
	24,821	24,821

The amount due to parent is subject to normal trade credit terms.

The note payable due on demand is not anticipated to be repaid in the current year and has therefore been classified as long-term.

7 Lease commitment

The Corporation has a commitment under an operating lease agreement for the lease of electricity distribution assets. Minimum annual lease payments under the agreement, which runs until April 2012, amount to \$1,600.

2003 CNPI AUDITED FINANCIAL STATEMENTS

Consolidated Financial Statements

Canadian Niagara Power Inc.
December 31, 2003

AUDITORS' REPORT

To the Shareholder of
Canadian Niagara Power Inc.

We have audited the consolidated balance sheet of **Canadian Niagara Power Inc.** as at December 31, 2003 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The financial statements as at December 31, 2002 and for the year then ended were audited by other auditors who expressed an opinion without reservations on those statements in their report dated January 24, 2003.

Toronto, Canada,
April 23, 2004.

Ernst & Young LLP

Chartered Accountants

Canadian Niagara Power Inc.

CONSOLIDATED BALANCE SHEET

[in thousands of dollars]

As at December 31

	2003 \$	2002 \$
ASSETS		
Current		
Cash	1,654	—
Accounts receivable	10,555	7,887
Materials and supplies	1,036	1,111
Prepaid expenses	246	757
Total current assets	13,491	9,755
Utility capital assets <i>[note 3]</i>	57,121	48,910
Accrued pension benefit asset <i>[note 4]</i>	1,308	1,766
Other assets, net <i>[note 5]</i>	1,463	888
Goodwill	3,214	—
	76,597	61,319
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current		
Bank indebtedness <i>[note 9]</i>	—	1,131
Accounts payable and accrued liabilities	10,754	6,075
Income taxes payable	901	387
Due to related parties <i>[note 7]</i>	241	1,556
Total current liabilities	11,896	9,149
Note payable to parent <i>[note 7]</i>	—	24,821
Long-term debt <i>[note 8]</i>	30,000	—
Future tax liability <i>[note 6]</i>	2,131	892
Accrued other retirement benefit liability <i>[note 4]</i>	2,051	1,938
Contributions in aid of construction	2,599	1,433
Total liabilities	48,677	38,233
Commitments and contingencies <i>[notes 13 and 14]</i>		
Shareholder's equity		
Capital stock <i>[note 10]</i>	23,900	21,400
Retained earnings	4,020	1,686
Total shareholder's equity	27,920	23,086
	76,597	61,319

See accompanying notes

On behalf of the Board:

Director

Director

Canadian Niagara Power Inc.

**CONSOLIDATED STATEMENT OF EARNINGS,
AND RETAINED EARNINGS**

[in thousands of dollars]

Year ended December 31

	2003	2002
	\$	\$
Operating revenue	58,211	46,201
Expenses		
Operating	48,095	39,182
Operating lease	1,614	1,133
Amortization <i>[note 11]</i>	2,982	2,679
	52,691	42,994
Operating earnings	5,520	3,207
Interest expense <i>[notes 7, 8 and 9]</i>	1,853	1,580
Earnings before income taxes	3,667	1,627
Provision for income taxes <i>[note 6]</i>	1,333	749
Net earnings for the year	2,334	878
Retained earnings, beginning of year	1,686	808
Retained earnings, end of year	4,020	1,686

See accompanying notes

Canadian Niagara Power Inc.

CONSOLIDATED STATEMENT OF CASH FLOWS

[in thousands of dollars]

Year ended December 31

	2003 \$	2002 \$
OPERATING ACTIVITIES		
Net earnings for the year	2,334	878
Add (deduct) items not involving cash		
Amortization	2,982	2,679
Future income taxes	429	436
Loss (gain) on sale of utility capital assets	1	(14)
Accrued pension benefits	458	72
Accrued other retirement benefits	(217)	(41)
	5,987	4,010
Net change in non-cash working capital balances related to operations <i>[note 12]</i>	1,290	(1,482)
Cash provided by operating activities	7,277	2,528
INVESTING ACTIVITIES		
Additions to utility capital assets	(6,958)	(4,019)
Proceeds on sale of utility capital assets	3	15
Changes in other assets	(575)	(763)
Acquisition, net of cash acquired <i>[note 2]</i>	(5,124)	—
Cash used in investing activities	(12,654)	(4,767)
FINANCING ACTIVITIES		
Advance of long-term debt	30,000	—
Increase (decrease) in notes payable to parent	(24,821)	537
Issuance of common shares	2,500	—
Increase in contributions in aid of construction	483	269
Cash provided by financing activities	8,162	806
Net increase (decrease) in cash during the year	2,785	(1,433)
Cash (bank indebtedness) beginning of year	(1,131)	302
Cash (bank indebtedness), end of year	1,654	(1,131)

See accompanying notes

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Incorporation

Canadian Niagara Power Inc. [the "Corporation"], a wholly-owned subsidiary of FortisOntario Inc. [the "parent company"] [formerly "Canadian Niagara Power Company, Limited"], was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) [the "Act"]. The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out in a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations. The business of the Corporation is the transmission and distribution of electricity to customers within Ontario. The business is regulated by the Ontario Energy Board ["OEB"].

Consolidated financial statements

The consolidated financial statements include the accounts of the Corporation, and its wholly-owned subsidiary Eastern Ontario Power Inc. On January 1, 2004 the Corporation was amalgamated with Eastern Ontario Power Inc. and continued as Canadian Niagara Power Inc.

Materials and supplies

Materials and supplies are recorded at average cost.

Utility capital assets

Utility capital assets are stated at cost. Amortization is provided over the estimated useful lives of the utility capital assets using the straight-line method at a composite rate of 3.4% [2002 – 3.5%].

Contributions in aid of construction represent funding of utility capital assets contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contribution portion of the assets involved.

Goodwill

Goodwill represents the excess of the acquisition cost of the shares of Eastern Ontario Power Inc. over the assigned value of identifiable net assets acquired. Goodwill is not amortized but, instead, is tested for impairment at least annually by comparing the fair value of the goodwill to its carrying value. Any impairment in value is charged against net earnings for the year.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

Other assets

Other assets which consist primarily of debt issue costs and the Port Colborne lease transition costs are amortized over their useful lives.

Operating lease

The Corporation has entered into an operating lease, which expires in 2012, with the City of Port Colborne, whereby the Corporation maintains its electricity distribution assets and provides services to the residents of Port Colborne. The Corporation recognizes all revenue relating to this agreement in operating revenue and records the cost of the lease as operating lease expense. At the end of the lease the Corporation has the option to purchase the assets at a pre-determined amount.

Revenue recognition

Revenue on the sale, transmission and distribution of electricity is recognized on the accrual basis.

Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the consolidated balance sheet date. Gains and losses on translation are included in the consolidated statement of earnings and retained earnings. Revenues and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the transaction date.

Employee benefit plans

The Corporation accrues its obligations under employee benefit plans. The cost of pension benefits and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of discount rates, salary escalation, retirement ages of employees and expected health care costs. Pension plan assets are valued at fair value. The excess of any cumulative net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the temporary differences between the tax and accounting bases of assets and liabilities. Future tax assets and liabilities are measured using the substantively enacted tax rates and laws expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fair value of financial instruments

Short-term financial instruments are valued at their carrying amounts which are reasonable estimates for fair values due to the relatively short period to maturity of the instruments. This approach applies to cash, accounts receivable, accounts payable and accrued liabilities, income taxes payable, and due to and from related parties.

Regulation

The transmission and distribution operations are subject to rate regulation by the OEB. The OEB has the general power to include or exclude costs, revenues, losses ongoing in the rates of a specific period, resulting in the timing of revenue and expense recognition, which may differ in its regulated operations from those otherwise expected in non-regulated business. This change in timing gives rise to the recognition of regulating assets and liabilities. The Corporation continually assesses the likelihood of recovery of its regulating assets and believes that it is probable that its regulatory assets and liabilities will be factored into the setting of future rates. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period that the assessment is made.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

2. ACQUISITION

On April 1, 2003, the Corporation acquired Granite Power Distribution Corporation [changed to Eastern Ontario Power Inc. on April 8, 2003], for approximately \$5.1 million. Granite Power Distribution Corporation distributes electricity to approximately 3,800 customers primarily situated in Gananoque, Ontario.

The Corporation accounted for this acquisition following the purchase method. The results of operations of Granite Power Distribution Corporation have been included in the consolidated financial statements from the date of purchase. Goodwill acquired in connection with this acquisition is not subject to amortization and is not deductible for income tax purposes.

The purchase price allocation to net assets based on their fair values is as follows:

	\$
Current assets	1,574
Utility capital assets	3,556
Future tax asset	(810)
Goodwill	3,214
Current liabilities	(2,080)
Other liabilities	(330)
	5,124
Cash acquired	19
Total purchase financed by cash	5,143

3. UTILITY CAPITAL ASSETS

Utility capital assets consists of the following:

	2003		Net	2002
	Cost	Accumulated	book	Net
	\$	Amortization	value	book
		\$	\$	value
Transmission and distribution	60,619	20,139	40,480	36,258
Other	21,650	5,009	16,641	12,652
	82,269	25,148	57,121	48,910

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

4. EMPLOYEE FUTURE BENEFITS

The Corporation is a participating employer with its parent company in a defined benefit pension plan and a defined benefit plan providing other retirement benefits.

Information about the Corporation's defined benefit plans is as follows:

	Pension benefit plan 2003 \$	Other retirement plan 2003 \$
Accrued benefit obligation		
Balance, beginning of year	7,958	2,123
Current service cost	151	39
Interest cost	589	143
Benefits paid	(466)	(128)
Actuarial losses	921	115
Obligations assumed on business acquisitions	—	330
Balance, end of year	9,153	2,622
Plan assets		
Fair value, beginning of year	8,494	—
Return on plan assets	426	—
Benefits paid	(466)	—
Actuarial gains	—	—
Payments from surplus	(117)	—
Fair value, end of year	8,337	—
Funded status – (deficit)	(816)	(2,622)
Unamortized amounts		
Actuarial losses	1,814	212
Prior service costs	—	359
Transitional obligation	310	—
Accrued benefit asset (liability)	1,308	(2,051)

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

	Pension benefit plan 2003 \$	Other retirement plan 2003 \$
Significant assumptions used		
Discount rate	6.50%	6.25%
Expected long-term rate of return on plan assets	7.25%	—
Rate of compensation increase	4.00%	—
Assumed health care trend rate	—	4.50%
Average remaining service period of active employees [years]	13	17
Net benefit expense for the year		
Current service cost	291	39
Interest cost	589	143
Expected return on plan assets	(591)	—
Actuarial losses	66	—
Settlements/curtailments	—	20
Amortization of transitional obligation	16	—
Net benefit expense	371	202

5. OTHER ASSETS

Other assets consists of the following:

	2003 \$	2002 \$
Unamortized debt issue costs	467	—
Unamortized Port Colborne lease transaction costs	931	821
Unamortized franchises and consents	65	67
	1,463	888

In connection with the term loan, the Company incurred costs in the amount of \$480 that are being amortized over the term of the loan. As at December 31, 2003, the amortization was \$13.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

6. INCOME TAXES

The components of the provision for income taxes consist of the following:

	2003	2002
	\$	\$
Current income taxes	904	694
Future income taxes	429	55
	1,333	749

Future income taxes are provided for temporary differences. Future tax assets and liabilities consist of the following:

	2003	2002
	\$	\$
Future tax liabilities (assets)		
Utility capital assets	1,944	703
Employee future benefits	(149)	(50)
Other assets	336	438
Loss carryforward	—	(199)
Net future tax liabilities	2,131	892

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

7. RELATED PARTY TRANSACTIONS

During the year, the Corporation entered into the following transactions with its parent company:

	2003 \$	2002 \$
Receipts		
Administrative service fees to FortisOntario Inc	1,534	1,202
Administrative service fees to Cornwall Street Railway, Light and Power Company, Limited	240	—
Reimbursement for expenses paid on behalf of and services provided to Cornwall Street Railway, Light and Power Company, Limited	1,540	—
Reimbursement for expenses paid on behalf of and services provided to FortisOntario Generation Corporation	180	—
Reimbursement for expenses paid on behalf of and services provided to Canadian Niagara Energy Inc.	8	—
Payments		
Purchased power from FortisOntario Inc.	—	3,769
Purchased power from FortisOntario Generation Corporation	688	—
Management fees paid to FortisOntario Inc.	965	432
Rent paid to FortisOntario Inc.	864	864
Interest expenses paid to FortisOntario Inc.	1,005	1,598
Reimbursement for expenses paid on behalf of and services provided to FortisOntario Inc.	2,505	—

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

At the year-end, the amounts due to (from) the Corporation's related parties are summarized as follows:

	2003 \$	2002 \$
Due to FortisOntario Inc.	778	1,556
Due to FortisOntario Generation Corporation	762	—
Due from Canadian Niagara Energy Inc.	(33)	—
Due from Cornwall Street Railway, Light and Power Company Limited	(1,240)	—
Due from Westario Power Holdings Inc.	(26)	—
	241	1,556
Note payable to parent company, bearing interest at 7.1225% maturing April 30, 2005	—	20,000
Note payable to parent company, bearing interest at the Canadian Imperial Bank of Commerce banker's acceptance rate plus 1%, due on demand	—	4,821
		24,821

8. LONG-TERM DEBT

Long-term debt consists of the following:

	2003 \$	2002 \$
7.092% Senior Unsecured Notes due August 14, 2018.	30,000	—

The Senior Unsecured Notes bear interest of 7.092% and are repayable at maturity on August 14, 2018. The fair value of the Senior Unsecured Notes at December 31, 2003 was approximately \$30,125.

The fair values of the Corporation's long-term debt is estimated using present value techniques based on borrowing rates at year-end for debt with similar terms and maturities. Since the Corporation does not intend to settle the debt prior to maturity, the fair value estimate does not represent an actual liability and therefore does not include exchange or settlement costs.

Interest expense on long-term debt for the year amounted to \$810.

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

9. SHORT-TERM CREDIT FACILITIES

The Corporation had authorized lines of credit totalling \$8,000, of which \$4,000 is authorized solely for letters of credit. At December 31, 2003, \$3,501 of the lines were utilized by letters of credit. These facilities are collateralized by a general security agreement covering all assets of the Company, and are guaranteed by the Company and its parent. The lines of credit bear interest at the banker's acceptance rate plus 1.50% in the case of banker's acceptances and the bank's prime lending rate in the case of bank loans.

10. CAPITAL STOCK

The authorized and issued shares consist of 23,900,001 [2002 - 21,400,001] common shares without par value. During the year, the Corporation issued 2,500,000 common shares for cash consideration of \$2,500.

11. AMORTIZATION

Amortization consists of the following:

	2003	2002
	\$	\$
Depreciation	2,695	2,392
Transition costs	285	285
Other	2	2
	2,982	2,679

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

12. CONSOLIDATED STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2003	2002
	\$	\$
Accounts receivable	(1,412)	(5,429)
Due to related parties	(1,574)	—
Materials and supplies	153	(201)
Prepaid expenses	569	(620)
Accounts payable and accrued liabilities	2,858	4,833
Income taxes payable	696	(65)
	1,290	(1,482)

Supplemental cash flow information

	2003	2002
	\$	\$
Interest paid	1,041	1,599
Income taxes paid	507	530

13. LEASE COMMITMENT

The Corporation has a commitment under an operating lease agreement for the lease of the electricity distribution assets of Port Colborne Hydro. Minimum annual lease payments under the agreement, which runs until April 2012, amount to \$1,614.

14. CONTINGENT LIABILITIES

The Corporation is contingently liable under certain issued letters of credit amounting to \$3,501 [2002 - \$3,501].

Canadian Niagara Power Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2003

15. FINANCIAL INSTRUMENTS

Interest rate risk

Long-term debt is at fixed interest rates thereby minimizing cash flow and interest rate exposure. The Corporation is primarily subject to risks associated with fluctuating interest rates on its short-term borrowings.

Credit risk

The Corporation is exposed to credit risk from customers. The Corporation has a large and diversified customer base which minimizes the concentration of this risk.

16. COMPARATIVE CONSOLIDATED FINANCIAL STATEMENTS

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2003 consolidated financial statements.

2004 CNPI AUDITED FINANCIAL STATEMENTS

Financial Statements

Canadian Niagara Power Inc.
December 31, 2004

AUDITORS' REPORT

To the Shareholder of
Canadian Niagara Power Inc.

We have audited the balance sheet of **Canadian Niagara Power Inc.** as at December 31, 2004 and 2003, and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of Canadian Niagara Power Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of Canadian Niagara Power Inc. as at December 31, 2004 and 2003, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Toronto, Canada,
January 28, 2005.

Chartered Accountants

Canadian Niagara Power Inc.

BALANCE SHEET

[in thousands of dollars]

As at December 31

	2004 \$	2003 \$
ASSETS		
Current		
Cash	675	1,654
Accounts receivable	9,387	10,555
Income taxes receivable	300	—
Materials and supplies	1,025	1,036
Prepaid expenses	350	246
Total current assets	11,737	13,491
Utility capital assets <i>[note 3]</i>	61,402	55,711
Accrued pension benefit asset <i>[note 4]</i>	1,321	1,308
Other assets, net <i>[note 5]</i>	1,076	1,066
Goodwill	3,214	3,214
	78,750	74,790
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current		
Accounts payable and accrued liabilities	6,813	7,532
Regulatory liabilities <i>[note 16]</i>	2,931	1,415
Income taxes payable	—	901
Due to related parties <i>[note 7]</i>	1,482	241
Total current liabilities	11,226	10,089
Long-term debt <i>[note 8]</i>	30,000	30,000
Future tax liability <i>[note 6]</i>	2,171	2,131
Accrued other retirement benefit liability <i>[note 4]</i>	2,100	2,051
Contributions in aid of construction	3,354	2,599
Total liabilities	48,851	46,870
Commitments and contingencies <i>[notes 13 and 14]</i>		
Shareholder's equity		
Capital stock <i>[note 10]</i>	23,900	23,900
Retained earnings	5,999	4,020
Total shareholder's equity	29,899	27,920
	78,750	74,790

See accompanying notes

On behalf of the Board:

Director

Director

Canadian Niagara Power Inc.

STATEMENT OF EARNINGS AND RETAINED EARNINGS

[in thousands of dollars]

Year ended December 31

	2004	2003
	\$	\$
Operating revenue	57,677	58,211
Expenses		
Operating	47,940	48,095
Operating lease	1,645	1,614
Amortization <i>[note 11]</i>	3,154	2,982
	52,739	52,691
Operating earnings	4,938	5,520
Interest expense <i>[notes 7, 8 and 9]</i>	2,132	1,853
Earnings before income taxes	2,806	3,667
Provision for income taxes <i>[note 6]</i>	827	1,333
Net earnings for the year	1,979	2,334
Retained earnings, beginning of year	4,020	1,686
Retained earnings, end of year	5,999	4,020

See accompanying notes

Canadian Niagara Power Inc.

STATEMENT OF CASH FLOWS

[in thousands of dollars]

Year ended December 31

	2004	2003
	\$	\$
OPERATING ACTIVITIES		
Net earnings for the year	1,979	2,334
Add (deduct) items not involving cash		
Amortization <i>[note 11]</i>	3,154	2,982
Future income taxes	40	429
Loss on sale of utility capital assets	11	1
Accrued pension benefits	(13)	458
Accrued other retirement benefits	49	(217)
	5,220	5,987
Net change in non-cash working capital balances related to operations <i>[note 12]</i>	1,912	(517)
Cash provided by operating activities	7,132	5,470
INVESTING ACTIVITIES		
Additions to utility capital assets	(8,992)	(5,548)
Proceeds on sale of utility capital assets	13	3
Changes in other assets	(10)	(178)
Acquisition, net of cash acquired <i>[note 2]</i>	—	(5,124)
Cash used in investing activities	(8,989)	(10,847)
FINANCING ACTIVITIES		
Advance of long-term debt	—	30,000
Decrease in notes payable to parent	—	(24,821)
Issuance of common shares	—	2,500
Increase in contributions in aid of construction	878	483
Cash provided by financing activities	878	8,162
Net increase (decrease) in cash during the year	(979)	2,785
Cash (bank indebtedness) beginning of year	1,654	(1,131)
Cash, end of year	675	1,654

See accompanying notes

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Incorporation and Financial Statements

Canadian Niagara Power Inc. [the "Corporation"], a wholly-owned subsidiary of FortisOntario Inc. [the "parent company"] [formerly "Canadian Niagara Power Company, Limited"], was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) [the "Act"]. The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out in a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations. On January 1, 2004, the Corporation was amalgamated with Eastern Ontario Power Inc. and continued as Canadian Niagara Power Inc. The business of the Corporation is the transmission and distribution of electricity to customers within Ontario. The business is regulated by the Ontario Energy Board ["OEB"].

These financial statements include the operating results of the Fort Erie, Port Colborne and Eastern Ontario Power [Gananoque] distribution centers and the Fort Erie transmission center.

Materials and supplies

Materials and supplies are recorded at average cost.

Utility capital assets

Utility capital assets are stated at cost. Amortization is provided over the estimated useful lives of the utility capital assets using the straight-line method at a composite rate of 3.7% [2003 - 3.4%].

Contributions in aid of construction represent funding of utility capital assets contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contribution portion of the assets involved.

Asset retirement obligations

During 2004, the Corporation adopted Section 3110, Asset Retirement Obligations of the Canadian Institute of Chartered Accountants Handbook, which requires the recording of the fair value of the future expenditures required to settle legal obligations associated with asset retirements. The Corporation has determined that there may be asset retirement obligations associated with some parts of its transmission and distribution system. However, as these categories of capital assets are effectively operated in perpetuity, a reasonable estimate of the timing of the retirements cannot be determined and consequently, the fair value of the legal obligations associated with the retirements of those assets cannot be made at this time. The

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

Corporation will recognize an asset retirement obligation and offsetting capital assets when the timing and amount of the obligation can reasonably be estimated.

Goodwill

Goodwill represents the excess of the acquisition cost of the shares of Eastern Ontario Power Inc. [amalgamated with Canadian Niagara Power Inc. as of January 1, 2004] over the assigned value of identifiable net assets acquired. Goodwill is not amortized but, instead, is tested for impairment annually by comparing the fair value of the goodwill to its carrying value. Any impairment in value is charged against net earnings for the year.

Other assets

Other assets which consist primarily of debt issue costs and the Port Colborne lease transition costs are amortized over their useful lives.

Operating lease

The Corporation has entered into an operating lease, which expires in 2012, with the City of Port Colborne, whereby the Corporation operates and maintains the City's electricity distribution assets and provides service to the residents of Port Colborne. The Corporation recognizes all revenue relating to this agreement in operating revenue and records the cost of the lease as operating lease expense. At the end of the lease the Corporation has the option to purchase the assets at a pre-determined amount.

Revenue recognition

Revenue on the sale, transmission and distribution of electricity is recognized on the accrual basis. Accounts receivable include an accrual for electricity delivered in the current year but not billed until the following year. Unbilled revenue included in the accounts receivable as at December 31, 2004 is \$6,164 [2003 - \$5,728].

Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the balance sheet date. Gains and losses on translation are included in the statement of earnings and retained earnings. Revenues and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the transaction date.

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

Employee benefit plans

The Corporation accrues its obligations under employee benefit plans. The cost of pension benefits and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of discount rates, salary escalation, retirement ages of employees and expected healthcare costs. Pension plan assets are valued at fair value. The excess of any cumulative net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the temporary differences between the tax and accounting basis of assets and liabilities. Future tax assets and liabilities are measured using the enacted and substantively enacted tax rates and laws expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fair value of financial instruments

Short-term financial instruments are valued at their carrying amounts which are reasonable estimates for fair values due to the relatively short period to maturity of the instruments. This approach applies to cash, accounts receivable, accounts payable and accrued liabilities, income taxes payable, and due to and from related parties.

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

Regulation

The Corporation's transmission and distribution operations are subject to rate regulation by the OEB. The OEB has the general power to include or exclude costs, revenues gains or losses in the rates of a specific period, resulting in the timing of revenue and expense recognition, which may differ in the Corporation's regulated operations from those otherwise expected in non-regulated businesses. This change in timing gives rise to the recognition of regulatory assets and liabilities. The Corporation continually assesses the likelihood of recovery of its regulatory assets and believes that it is probable that its regulatory assets and liabilities will be factored into the setting of future rates. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period that the assessment is made.

2. ACQUISITION

On April 1, 2003, the Corporation acquired Granite Power Distribution Corporation [changed to Eastern Ontario Power Inc. on April 8, 2003], for approximately \$5.1 million. Granite Power Distribution Corporation distributes electricity to approximately 3,800 customers primarily situated in Gananoque, Ontario.

The Corporation accounted for this acquisition following the purchase method. On January 1, 2004 Eastern Ontario Power Inc. was amalgamated with the Corporation. Goodwill acquired in connection with this acquisition is not subject to amortization and is not deductible for income tax purposes.

The purchase price allocation to net assets based on their fair values is as follows:

	\$
Current assets	1,574
Utility capital assets	3,556
Future tax asset	(810)
Goodwill	3,214
Current liabilities	(2,080)
Other liabilities	(330)
	5,124
Cash acquired	19
Total purchase financed by cash	5,143

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

3. UTILITY CAPITAL ASSETS

Utility capital assets consist of the following:

	2004		Net book value
	Cost	Accumulated amortization	
	\$	\$	\$
Transmission	26,935	8,375	18,560
Distribution	50,433	14,768	35,665
Other	12,398	5,221	7,177
	89,766	28,364	61,402
	2003		Net book value
	Cost	Accumulated amortization	
	\$	\$	\$
Transmission	26,500	7,510	18,990
Distribution	42,806	13,456	29,350
Other	11,553	4,182	7,371
	80,859	25,148	55,711

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

4. EMPLOYEE FUTURE BENEFITS

The Corporation is a participating employer with its parent company in a defined benefit pension plan and a defined benefit plan providing other retirement benefits.

Information about the Corporation's defined benefit plans is as follows:

	Pension Benefit Plan		Other Retirement Plan	
	2004	2003	2004	2003
	\$	\$	\$	\$
Accrued benefit obligation				
Balance, beginning of year	9,153	7,958	2,622	2,123
Current service cost	194	151	49	39
Interest cost	674	589	149	143
Benefits paid	(693)	(466)	(166)	(128)
Actuarial losses (gains)	1,658	921	—	115
Obligations assumed on business acquisitions	—	—	—	330
Balance, end of year	10,986	9,153	2,654	2,622
Plan assets				
Fair value, beginning of year	8,337	8,494	—	—
Actual return on plan assets	2,027	426	—	—
Contributions	295	—	—	—
Benefits paid	(693)	(466)	—	—
Payments from surplus	(186)	(117)	—	—
Fair value, end of year	9,780	8,337	—	—
Funded status - deficit	(1,206)	(816)	(2,654)	(2,622)
Unamortized amounts				
Actuarial losses	2,189	1,814	194	212
Prior service costs	—	—	360	359
Transitional obligation	338	310	—	—
Accrued benefit asset (liability)	1,321	1,308	(2,100)	(2,051)

The measurement date for the plan assets and the accrued benefit obligation is September 30, 2004. The effective date of the most recent actuarial valuation is December 31, 2003 and the next required valuation for funding purposes is December 31, 2006.

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

The plan assets held at the measurement date are represented by the following categories:

	%
Canadian equity funds	15
U.S. equity funds	11
EAFE equity funds	13
Canadian fixed income funds	58
Cash and short-term investments	3

	Pension Benefit Plan		Other Retirement Plan	
	2004	2003	2004	2003
	\$	\$	\$	\$
Significant assumptions used				
Discount rate	6.00%	6.50%	6.25%	6.25%
Expected long-term rate of return on plan assets	7.25%	7.25%	—	—
Rate of compensation increase	4.00%	4.00%	—	—
Assumed healthcare trend rate	—	—	4.50%	4.50%
Average remaining service period of active employees [years]	12	13	17	17
Net benefit expense for the year				
Current service cost	275	291	49	39
Interest cost	674	589	154	143
Expected return on plan assets	(663)	(591)	—	—
Actuarial gains	88	66	—	—
Settlements/curtailments	—	—	19	20
Amortization of transitional obligation	19	16	—	—
Net benefit expense	393	371	222	202

The effect for 2004 of a one-percentage-point increase in the assumed healthcare cost trend would be to increase the service and interest cost of other retirement plan benefits by \$41 and increase the other retirement plan benefit liability by \$384. The effect of a one-percentage-point decrease in the assumed healthcare cost trend would be to decrease the service cost and interest cost of other retirement plan benefits by \$32 and decrease the other retirement plan benefit liability by \$303.

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

5. OTHER ASSETS

Other assets consist of the following:

	2004	2003
	\$	\$
Unamortized debt issue costs	435	467
Unamortized Port Colborne lease transaction costs	426	534
Unamortized franchises and consents	215	65
	1,076	1,066

In connection with the term loan, the Corporation incurred costs in the amount of \$480 that are being amortized over the term of the loan. As at December 31, 2004, the amortization was \$45 [2003 - \$13].

6. INCOME TAXES

The provision for income taxes consists of the following components:

	2004	2003
	\$	\$
Current income taxes	787	904
Future income taxes	40	429
	827	1,333

Future income taxes are provided for temporary differences. Future tax assets and liabilities consist of the following:

	2004	2003
	\$	\$
Future tax liabilities (assets)		
Utility capital assets	2,254	1,944
Employee future benefits	(281)	(149)
Other assets	198	336
Net future tax liabilities	2,171	2,131

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

7. RELATED PARTY TRANSACTIONS

During the year, the Corporation entered into the following transactions with related parties:

	2004 \$	2003 \$
Receipts		
Administrative services to:		
FortisOntario Inc.	1,422	1,534
Cornwall Street Railway, Light and Power Company Limited	129	240
FortisOntario Generation Corporation	49	—
Reimbursement of expenses paid on behalf of and services provided to:		
Cornwall Street Railway, Light and Power Company Limited	201	1,540
FortisOntario Inc.	574	—
FortisOntario Generation Corporation	275	180
Canadian Niagara Energy Inc.	5	8
Westario Power Holdings	122	—
Payments		
Purchased power from FortisOntario Generation Corporation	956	688
Management fees paid to FortisOntario Inc.	433	965
Rent paid to FortisOntario Inc.	627	864
Rent paid to FortisOntario Generation Corporation	82	—
Interest expenses paid to FortisOntario Inc.	—	1,005
Reimbursement for expenses paid on behalf of and services provided from:		
FortisOntario Inc.	2,270	2,505
Cornwall Street Railway, Light and Power Company Limited	1,184	—
FortisOntario Generation Corporation	205	—
Newfoundland Power Inc.	97	—
Maritime Electric Company, Limited	23	—
Westario Power Holdings	8	—
Fortis Inc.	3	—

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

At the year-end, the amounts due to (from) the Corporation's related parties are summarized as follows:

	2004	2003
	\$	\$
Due to FortisOntario Inc.	908	778
Due to FortisOntario Generation Corporation	253	762
Due from Canadian Niagara Energy Inc.	(39)	(33)
Due to (from) Cornwall Street Railway, Light and Power Company Limited	389	(1,240)
Due from Westario Power Holdings Inc.	(29)	(26)
	1,482	241

8. LONG-TERM DEBT

Long-term debt consists of the following:

	2004	2003
	\$	\$
7.092% Senior Unsecured Notes due August 14, 2018	30,000	30,000

The Senior Unsecured Notes bear interest of 7.092% and are repayable at maturity on August 14, 2018. The fair value of the Senior Unsecured Notes at December 31, 2004 was approximately \$31,668.

The fair values of the Corporation's long-term debt is estimated using present value techniques based on borrowing rates at year-end for debt with similar terms and maturities. Since the Corporation does not intend to settle the debt prior to maturity, the fair value estimate does not represent an actual liability and therefore does not include exchange or settlement costs.

Interest expense on long-term debt for the year was \$2,128 [2003 - \$810].

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

9. SHORT-TERM CREDIT FACILITIES

The Corporation had authorized lines of credit totalling \$8,000, of which \$4,000 is authorized solely for letters of credit. At December 31, 2004, \$3,501 of the lines were utilized by letters of credit. These facilities are collateralized by a general security agreement covering all assets of the Corporation, and are guaranteed by the Corporation and its parent company. The lines of credit bear interest at the banker's acceptance rate plus 1.50% in the case of banker's acceptances and the bank's prime lending rate in the case of bank loans.

10. CAPITAL STOCK

The authorized and issued shares consist of 23,900,001 common shares without par value.

11. AMORTIZATION

Amortization consists of the following:

	2004	2003
	\$	\$
Amortization of utility capital assets and contributions in aid of construction	3,148	2,695
Other	6	287
	3,154	2,982

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

12. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2004	2003
	\$	\$
Accounts receivable	1,168	(1,412)
Due to related parties	1,241	(1,574)
Materials and supplies	11	153
Prepaid expenses	(104)	569
Accounts payable and accrued liabilities	(719)	2,858
Regulatory liabilities	1,516	(1,807)
Income taxes payable/receivable	(1,201)	696
	1,912	(517)

Supplemental cash flow information

	2004	2003
	\$	\$
Interest paid	2,137	1,041
Income taxes paid	2,204	507

13. LEASE COMMITMENT

The Corporation has a commitment under an operating lease agreement for the lease of the electricity distribution assets of Port Colborne Hydro. Minimum annual lease payments under the agreement, which runs until April 2012, amount to \$1,533.

14. CONTINGENT LIABILITIES

The Corporation is contingently liable under certain issued letters of credit amounting to \$3,501 [2003 - \$3,501].

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

15. FINANCIAL INSTRUMENTS

Interest rate risk

Long-term debt is at fixed interest rates thereby minimizing cash flow and interest rate fluctuation exposure. The Corporation is primarily subject to risks associated with fluctuating interest rates on its short-term borrowings.

Credit risk

The Corporation is exposed to credit risk from customers. The Corporation has a large and diversified customer base which minimizes the concentration of this risk.

16. REGULATORY ASSETS AND LIABILITIES

Regulatory (assets) liabilities consist of the following:

	2004	2003
	\$	\$
Transition costs	(2,626)	(1,807)
Cost of power settlement variances	5,557	3,222
	2,931	1,415

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

17. [a] SEGMENTED EARNINGS INFORMATION

	2004				Total
	Fort Erie Distribution	Port Colborne Distribution	Eastern Ontario Power Distribution	Fort Erie Transmission	
	\$	\$	\$	\$	\$
Operating revenues	28,452	16,344	8,096	4,785	57,677
Operating expenses	25,057	14,790	7,059	1,034	47,940
Operating lease	—	1,645	—	—	1,645
Amortization	2,064	118	228	744	3,154
Operating income (expense)	1,331	(209)	809	3,007	4,938
Finance charges	1,031	(37)	149	989	2,132
Income taxes	97	(53)	155	629	828
Earnings (loss)	203	(119)	505	1,389	1,978

	2003				Total
	Fort Erie Distribution	Port Colborne Distribution	Eastern Ontario Power Distribution	Fort Erie Transmission	
	\$	\$	\$	\$	\$
Operating revenues	30,658	16,556	5,609	5,388	58,211
Operating expenses	26,499	14,528	5,316	1,752	48,095
Operating lease	—	1,614	—	—	1,614
Amortization	1,933	188	119	742	2,982
Operating income	2,226	226	174	2,894	5,520
Finance charges	946	—	—	907	1,853
Income taxes	439	77	139	678	1,333
Earnings	841	149	35	1,309	2,334

Canadian Niagara Power Inc.

NOTES TO FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2004

[b] SEGMENTED UTILITY CAPITAL ASSETS

	2004				
	Fort Erie Distribution \$	Port Colborne Distribution \$	Eastern Ontario Power Distribution \$	Fort Erie Transmission \$	Total \$
Cost	45,738	7,872	5,860	30,296	89,766
Accumulated amortization	14,171	1,798	2,565	9,830	28,364
	31,567	6,074	3,295	20,466	61,402

	2003				
	Fort Erie Distribution \$	Port Colborne Distribution \$	Eastern Ontario Power Distribution \$	Fort Erie Transmission \$	Total \$
Cost	39,924	5,791	5,654	29,490	80,859
Accumulated amortization	12,969	1,382	1,928	8,869	25,148
	26,955	4,409	3,726	20,621	55,711

18. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2004 financial statements.

2005 CNPI AUDITED FINANCIAL STATEMENTS

Financial Statements

Canadian Niagara Power Inc.
December 31, 2005

AUDITORS' REPORT

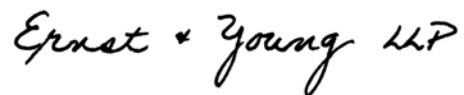
To the Shareholder of
Canadian Niagara Power Inc.

We have audited the balance sheets of **Canadian Niagara Power Inc.** as at December 31, 2005 and 2004 and the statements of earnings and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of **Canadian Niagara Power Inc.'s** management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of **Canadian Niagara Power Inc.** as at December 31, 2005 and 2004 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Canada,
January 25, 2006.

A handwritten signature in black ink that reads "Ernst & Young LLP". The signature is written in a cursive, flowing style.

Chartered Accountants

Canadian Niagara Power Inc.

BALANCE SHEETS

[in thousands of dollars]

As at December 31

	2005 \$	2004 \$
ASSETS [note 8]		
Current		
Cash [note 8]	4,130	675
Accounts receivable	6,526	9,387
Income taxes receivable	573	300
Materials and supplies	892	1,025
Prepaid expenses	366	350
Total current assets	12,487	11,737
Utility capital assets, net [note 2]	66,130	61,402
Accrued pension benefit asset [note 3]	991	1,321
Other assets, net [note 4]	980	1,076
Goodwill	3,214	3,214
	83,802	78,750
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current		
Accounts payable and accrued liabilities	7,870	6,813
Regulatory liabilities [note 15]	701	2,931
Due to related parties [note 6]	6,577	1,482
Total current liabilities	15,148	11,226
Long-term debt [note 7]	30,000	30,000
Future tax liabilities [note 5]	2,681	2,171
Accrued other retirement plan benefit liability [note 3]	2,129	2,100
Contributions in aid of construction	3,772	3,354
Total liabilities	53,730	48,851
Commitment and contingent liabilities [notes 12 and 13]		
Shareholder's equity		
Capital stock [note 9]	23,900	23,900
Retained earnings	6,172	5,999
Total shareholder's equity	30,072	29,899
	83,802	78,750

See accompanying notes

On behalf of the Board:

Director

Director

Canadian Niagara Power Inc.

STATEMENTS OF EARNINGS AND RETAINED EARNINGS

[in thousands of dollars]

Years ended December 31

	2005	2004
	\$	\$
Operating revenue	61,854	57,677
Expenses		
Operating	53,639	47,940
Operating lease	1,591	1,645
Amortization <i>[note 10]</i>	3,485	3,154
	58,715	52,739
Operating earnings	3,139	4,938
Interest expense <i>[notes 6, 7 and 8]</i>	2,331	2,132
Earnings before income taxes	808	2,806
Provision for income taxes <i>[note 5]</i>	635	827
Net earnings for the year	173	1,979
Retained earnings, beginning of year	5,999	4,020
Retained earnings, end of year	6,172	5,999

See accompanying notes

Canadian Niagara Power Inc.

STATEMENTS OF CASH FLOWS

[in thousands of dollars]

Years ended December 31

	2005	2004
	\$	\$
OPERATING ACTIVITIES		
Net earnings for the year	173	1,979
Add (deduct) items not involving cash		
Amortization <i>[note 10]</i>	3,485	3,154
Future income taxes	510	40
Loss on sale of utility capital assets	117	11
Accrued pension benefits	330	(13)
Accrued other retirement plan benefits	29	49
	4,644	5,220
Net change in non-cash working capital balances related to operations <i>[note 11]</i>	6,627	1,912
Cash provided by operating activities	11,271	7,132
INVESTING ACTIVITIES		
Additions to utility capital assets	(8,465)	(8,992)
Proceeds on sale of utility capital assets	8	13
Decrease (increase) in other assets	96	(10)
Cash used in investing activities	(8,361)	(8,989)
FINANCING ACTIVITIES		
Increase in contributions in aid of construction	545	878
Cash provided by financing activities	545	878
Net increase (decrease) in cash during the year	3,455	(979)
Cash, beginning of year	675	1,654
Cash, end of year	4,130	675

See accompanying notes

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Incorporation and financial statements

Canadian Niagara Power Inc. [the "Corporation"], a wholly-owned subsidiary of FortisOntario Inc. [the "parent company"] [formerly Canadian Niagara Power Company, Limited], was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) [the "Act"]. The Act requires that the electric power transmission and distribution businesses previously carried out by the parent company be carried out in a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations. On January 1, 2004, the Corporation was amalgamated with Eastern Ontario Power Inc. and continued as Canadian Niagara Power Inc. The business of the Corporation is the transmission and distribution of electricity to customers within Ontario. The business is regulated by the Ontario Energy Board ["OEB"].

These financial statements include the operating results of the Fort Erie, Port Colborne and Eastern Ontario Power [Gananoque] distribution centres and the Fort Erie transmission centre.

Regulation

The transmission and distribution rates of the Corporation are based on cost of service rate regulation by the OEB. Earnings are regulated on the basis of a rate of return on rate base, plus a recovery of all allowable distribution costs of the Corporation.

On September 6, 2005, the Corporation made application to the OEB for new electrical distribution rates effective May 1, 2006. The new electrical distribution rates are based on 2004 costs using a deemed capital structure, which is 50% long-term debt and 50% equity, with an allowed return on equity of 9%. On September 6, 2005, applications were made for the final approval of regulatory asset and liability balances as of December 31, 2004 and the approval of "Rate Riders" to recover these balances beginning May 1, 2006. Approval has previously been given by the OEB for the interim recovery of these regulatory assets and liabilities. Regulatory assets and liabilities arising in 2005 will be subject to rate recovery in future rate applications.

Materials and supplies

Materials and supplies are recorded at average cost.

Utility capital assets

Utility capital assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the utility capital assets using the straight-line method at a composite rate of 3.7% [2004 - 3.7%].

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

Contributions in aid of construction represent funding of utility capital assets contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contribution portion of the assets involved.

General expenses capitalized ["GEC"] are capitalized overhead costs which are not directly attributable to specific utility capital assets but relate to the Corporation's overall capital program. GEC is permitted by the OEB's Distribution Rate Handbook and Accounting Procedures Handbook. In the absence of rate regulation, overhead costs which are not directly attributable to construction activity would not be capitalized. GEC is allocated over constructed utility capital assets and amortized based on the rate applicable to these assets.

Asset retirement obligations

During 2004, the Corporation adopted Section 3110, "Asset Retirement Obligations", of The Canadian Institute of Chartered Accountants' Handbook, which requires the recording of the fair value of future expenditures required to settle legal obligations associated with asset retirements. The Corporation has determined that there may be asset retirement obligations associated with some parts of its transmission and distribution system. However, as these categories of utility capital assets are effectively operated in perpetuity, a reasonable estimate of the timing of the retirements cannot be determined and consequently, the fair value of the legal obligations associated with the retirements of those assets cannot be made at this time. The Corporation will recognize an asset retirement obligation and offsetting utility capital asset when the timing and amount of the obligation can be reasonably estimated.

Goodwill

Goodwill represents the excess of the acquisition cost of the shares of Eastern Ontario Power Inc. [amalgamated with the Corporation as of January 1, 2004] over the assigned value of identifiable net assets acquired. Goodwill is not amortized but, instead, is tested for impairment annually by comparing the fair value of the goodwill to its carrying value. Any impairment in value is charged against net earnings for the year.

Other assets

Other assets, which consist primarily of debt issue costs and the Port Colborne lease transition costs, are amortized over their useful lives.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

Operating lease

The Corporation has entered into an operating lease, which expires in 2012, with the City of Port Colborne, whereby the Corporation operates and maintains the city's electricity distribution assets and provides service to the residents of Port Colborne. The Corporation recognizes all revenue relating to this agreement in operating revenue and records the cost of the lease as operating lease expense. At the end of the lease the Corporation has the option to purchase the assets at a pre-determined amount.

Revenue recognition

Revenue from the sale, transmission and distribution of electricity is recognized on the accrual basis. Accounts receivable include an accrual for electricity delivered in the current year but not billed until the following year. Unbilled revenue included in accounts receivable as at December 31, 2005 is \$4,776 [2004 - \$6,164].

Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the statements of earnings and retained earnings. Revenue and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the transaction date.

Employee benefit plans

The Corporation accrues its obligations under employee benefit plans. The cost of pension benefits and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of discount rates, salary escalation, retirement ages of employees and expected health care costs. Pension plan assets are valued at fair value. The excess of any cumulative net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

Income taxes

The Corporation follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the temporary differences between the tax and accounting basis of assets and liabilities. Future tax assets and liabilities are measured using the enacted and substantively enacted tax rates and laws expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Fair value of financial instruments

Short-term financial instruments are valued at their carrying amounts, which are reasonable estimates of fair value due to the relatively short period to maturity of these instruments. This approach applies to cash, accounts receivable, accounts payable and accrued liabilities, income taxes receivable, and due to related parties.

2. UTILITY CAPITAL ASSETS

Utility capital assets consist of the following:

	2005		Net book value \$
	Cost \$	Accumulated amortization \$	
Transmission	27,019	8,814	18,205
Distribution	57,964	16,328	41,636
Other	12,548	6,259	6,289
	97,531	31,401	66,130
	2004		Net book value \$
	Cost \$	Accumulated amortization \$	
Transmission	26,935	8,375	18,560
Distribution	50,433	14,768	35,665
Other	12,398	5,221	7,177
	89,766	28,364	61,402

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

3. EMPLOYEE FUTURE BENEFITS

The Corporation is a participating employer with its parent company in a defined benefit pension plan and a defined benefit plan providing other retirement benefits.

Information about the Corporation's defined benefit plans is as follows:

	Pension benefit plan		Other retirement plan	
	2005	2004	2005	2004
	\$	\$	\$	\$
Accrued benefit obligation				
Balance, beginning of year	10,986	9,153	2,654	2,622
Current service cost	246	194	49	49
Interest cost	652	674	147	149
Benefits paid	(741)	(693)	(137)	(166)
Actuarial losses	1,539	1,658	434	—
Special termination benefits	350	—	—	—
Other	—	—	40	—
Balance, end of year	13,032	10,986	3,187	2,654
Plan assets				
Fair value, beginning of year	9,780	8,337	—	—
Actual return on plan assets	1,248	2,027	—	—
Contributions	452	295	—	—
Benefits paid	(741)	(693)	—	—
Payments from surplus	(80)	(186)	—	—
Fair value, end of year	10,659	9,780	—	—
Funded status - deficit	(2,373)	(1,206)	(3,187)	(2,654)
Unamortized amounts				
Actuarial losses	3,069	2,189	739	194
Prior service costs	—	—	319	360
Transitional obligation	295	338	—	—
Accrued benefit asset (liability)	991	1,321	(2,129)	(2,100)

The measurement date for the defined benefit pension plan assets and the accrued benefit obligation is September 30, 2005. The effective date of the most recent actuarial valuation is December 31, 2003 and the next required valuation for funding purposes is December 31, 2006.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

The defined benefit pension plan assets held at the measurement date are represented by the following categories:

	%
Canadian equity funds	14
U.S. equity funds	11
EAFE equity funds	14
Canadian fixed income funds	56
Cash and short-term investments	5

	Pension benefit plan		Other retirement plan	
	2005	2004	2005	2004
	\$	\$	\$	\$
Significant assumptions used				
Discount rate	5.00%	6.00%	5.00%	6.25%
Expected long-term rate of return on plan assets	7.25%	7.25%	—	—
Rate of compensation increase	4.00%	4.00%	—	—
Assumed health care cost trend rate	—	—	4.50%	4.50%
Average remaining service period of active employees [years]	12	12	17	17
Net benefit expense for the year				
Current service cost	341	275	49	49
Special termination benefits	350	—	—	—
Interest cost	652	674	156	154
Expected return on plan assets	(689)	(663)	—	—
Actuarial losses	91	88	—	—
Settlements/curtailments	26	—	19	19
Amortization of transitional obligation	19	19	—	—
Net benefit expense	790	393	224	222

The effect for 2005 of a one-percentage-point increase in the assumed health care cost trend rate would be to increase the current service cost and interest cost of other retirement plan benefits by \$45 and increase the other retirement plan accrued benefit liability by \$463. The effect of a one-percentage-point decrease in the assumed health care cost trend rate would be to decrease the current service cost and interest cost of other retirement plan accrued benefits by \$34 and decrease the other retirement plan accrued benefit liability by \$365.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

4. OTHER ASSETS

Other assets consist of the following:

	2005	2004
	\$	\$
Unamortized debt issue costs	403	435
Unamortized Port Colborne lease transaction costs	368	426
Unamortized franchises and consents	209	215
	980	1,076

In connection with the term loan [note 7], the Company incurred costs of \$480 that are being amortized over the term of the loan. As at December 31, 2005, the accumulated amortization was \$77 [2004 - \$45].

5. INCOME TAXES

The provision for income taxes consists of the following:

	2005	2004
	\$	\$
Current income taxes	125	787
Future income taxes	510	40
	635	827

Future income taxes are provided for temporary differences. Future tax assets and liabilities consist of the following:

	2005	2004
	\$	\$
Future tax liabilities (assets)		
Utility capital assets	2,877	2,254
Employee future benefits	(411)	(281)
Other assets	215	198
Net future tax liabilities	2,681	2,171

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

6. RELATED PARTY TRANSACTIONS

During the year, the Corporation entered into the following transactions with related parties:

	2005	2004
	\$	\$
Receipts		
Administrative services to		
FortisOntario Inc.	537	1,422
Cornwall Street Railway, Light and Power Company Limited	926	129
FortisOntario Generation Corporation	146	49
Reimbursement of expenses paid on behalf of and services provided to		
Cornwall Street Railway, Light and Power Company Limited	—	201
FortisOntario Inc.	722	574
FortisOntario Generation Corporation	108	275
Canadian Niagara Energy Inc.	—	5
Westario Power Holdings	121	122
Payments		
Purchased power from FortisOntario Generation Corporation	879	956
Management fees paid to FortisOntario Inc.	969	433
Rent paid to FortisOntario Inc.	500	627
Rent paid to FortisOntario Generation Corporation	82	82
Interest expenses paid to		
Cornwall Street Railway, Light and Power Company Limited	83	—
FortisOntario Inc.	69	—
FortisOntario Generation Corporation	26	—
Reimbursement of expenses paid on behalf of and services provided from		
FortisOntario Inc.	3,441	2,270
Cornwall Street Railway, Light and Power Company Limited	243	1,184
FortisOntario Generation Corporation	—	205
Newfoundland Power Inc.	—	97
Maritime Electric Company, Limited	4	23
Westario Power Holdings	—	8
Fortis Inc.	—	3

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

At December 31, the amounts due to (from) related parties are as follows:

	2005	2004
	\$	\$
Due to FortisOntario Inc.	1,628	908
Due to FortisOntario Generation Corporation	182	253
Due from Canadian Niagara Energy Inc.	—	(39)
Due to Cornwall Street Railway, Light and Power Company Limited	4,789	389
Due from Westario Power Holdings Inc.	(22)	(29)
	6,577	1,482

7. LONG-TERM DEBT

Long-term debt consists of the following:

	2005	2004
	\$	\$
7.092% Senior Unsecured Notes due August 14, 2018	30,000	30,000

The Senior Unsecured Notes bear interest at 7.092% and are repayable at maturity on August 14, 2018. The fair value of the Senior Unsecured Notes at December 31, 2005 was approximately \$34,306.

The fair value of the Corporation's long-term debt is estimated using present value techniques based on borrowing rates at year-end for debt with similar terms and maturities. Since the Corporation does not intend to settle the debt prior to maturity, the fair value estimate does not represent an actual liability and therefore does not include exchange or settlement costs.

Interest expense on long-term debt for the year was \$2,128 [2004 - \$2,128].

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

8. SHORT-TERM CREDIT FACILITIES

The Corporation has authorized lines of credit totalling \$8,000, of which \$4,000 is authorized solely for letters of credit. At December 31, 2005, \$3,501 of these lines were utilized by letters of credit. These facilities are collateralized by a general security agreement covering all assets of the Corporation and are guaranteed by the Corporation and its parent Company. The lines of credit bear interest at the banker's acceptance rate plus 1.50% in the case of banker's acceptances and at the bank's prime lending rate in the case of bank loans.

9. CAPITAL STOCK

The authorized and issued shares consist of 23,900,001 common shares without par value.

10. AMORTIZATION

Amortization consists of the following:

	2005	2004
	\$	\$
Amortization of utility capital assets and contributions in aid of construction	3,479	3,148
Other	6	6
	3,485	3,154

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

11. STATEMENTS OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2005	2004
	\$	\$
Accounts receivable	2,861	1,168
Due to related parties	5,095	1,241
Materials and supplies	133	11
Prepaid expenses	(16)	(104)
Accounts payable and accrued liabilities	1,057	(719)
Regulatory liabilities	(2,230)	1,516
Income taxes receivable	(273)	(1,201)
	6,627	1,912

Supplemental cash flow information

	2005	2004
	\$	\$
Interest paid	2,315	2,137
Income taxes paid	1,112	2,204

12. LEASE COMMITMENT

The Corporation has a commitment under an operating lease agreement for the lease of the electricity distribution assets of Port Colborne Hydro. Future minimum annual lease payments under the agreement, which expires April 2012, amount to \$1,533.

13. CONTINGENT LIABILITIES

The Corporation is contingently liable under certain issued letters of credit amounting to \$3,501 [2004 - \$3,501].

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

14. FINANCIAL INSTRUMENTS

Interest rate risk

Long-term debt is at fixed interest rates, thereby minimizing cash flow and interest rate fluctuation exposure. The Corporation is primarily subject to risks associated with fluctuating interest rates on its short-term borrowings.

Credit risk

The Corporation is exposed to credit risk from its customers. The Corporation has a large and diversified customer base which minimizes the concentration of this risk.

15. REGULATORY ASSETS AND LIABILITIES

Regulatory assets and liabilities arise as a result of regulatory requirements as described in note 1 above.

	2005 \$	2004 \$	Remaining recovery period
Transition costs and retail settlement variance accounts [net of recoveries]	701	2,931	2-3 years

The Corporation incurred significant information technology, billing upgrade and other transition costs in preparing for the competitive electricity market. The OEB's Distribution Rate Handbook and Accounting Procedures Handbook allow certain transition costs to be deferred and recovered through future rate adjustments as discussed in note 1. In the absence of rate regulation, these costs, due to their capital nature, would be appropriately deferred and amortized, however, the amount to be recovered and the recovery period would not be subject to regulatory approval.

The Corporation pays the cost of power on behalf of its customers and recovers these costs through retail billings to its customers. The cost of power includes charges for transmission, wholesale market operations and commodity from Ontario's Independent Electricity System Operator. The balance of the retail settlement variance account represents the costs that have not been recovered from, or settled through, customers as at the balance sheet date. The OEB's Distribution Rate Handbook and Accounting Procedures Handbook allow these costs to be deferred and recovered through future rate adjustments as discussed in note 1. In the absence of rate regulation, these costs would be expensed in the period they are incurred. During 2005, costs deferred were \$1,795 and costs recovered through retail rates were \$2,410.

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

The OEB has the general power to include or exclude costs, revenues, gains or losses in the rates of a specific period, resulting in the timing of revenue and expense recognition which may differ in the Corporation's regulated operations from those otherwise expected in non-regulated businesses. This change in timing gives rise to the recognition of regulatory assets and liabilities. The Corporation continually assesses the likelihood of recovery of its regulatory assets and believes that its regulatory assets and liabilities will be factored into the setting of future rates as discussed in note 1. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period that the assessment is made.

Regulatory assets and liabilities are not subject to a regulatory return, however, the balances include an accrual for interest recovery/payable as permitted by the regulators.

16. SEGMENTED INFORMATION

[a] Earnings

	2005				
	Fort Erie distribution	Port Colborne distribution	Eastern Ontario Power distribution	Fort Erie transmission	Total
	\$	\$	\$	\$	\$
Operating revenues	30,132	18,122	8,644	4,956	61,854
Operating expenses	26,859	17,926	7,893	961	53,639
Operating lease	—	1,591	—	—	1,591
Amortization	2,294	199	240	752	3,485
Operating earnings	979	(1,594)	511	3,243	3,139
Finance charges	1,193	—	149	989	2,331
Income taxes	173	(617)	157	922	635
Net earnings (loss)	(387)	(977)	205	1,332	173

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

	2004				
	Fort Erie distribution \$	Port Colborne distribution \$	Eastern Ontario Power distribution \$	Fort Erie transmission \$	Total \$
Operating revenues	28,452	16,344	8,096	4,785	57,677
Operating expenses	25,057	14,790	7,059	1,034	47,940
Operating lease	—	1,645	—	—	1,645
Amortization	2,064	118	228	744	3,154
Operating earnings	1,331	(209)	809	3,007	4,938
Finance charges	1,031	(37)	149	989	2,132
Income taxes	97	(53)	155	628	827
Net earnings (loss)	203	(119)	505	1,390	1,979

[b] Utility capital assets

	2005				
	Fort Erie distribution \$	Port Colborne distribution \$	Eastern Ontario Power distribution \$	Fort Erie transmission \$	Total \$
Cost	54,987	6,862	8,297	27,385	97,531
Accumulated amortization	19,236	375	2,976	8,814	31,401
	35,751	6,487	5,321	18,571	66,130

	2004				
	Fort Erie distribution \$	Port Colborne distribution \$	Eastern Ontario Power distribution \$	Fort Erie transmission \$	Total \$
Cost	50,335	5,184	7,289	26,958	89,766
Accumulated amortization	17,096	174	2,709	8,385	28,364
	33,239	5,010	4,580	18,573	61,402

Canadian Niagara Power Inc.

NOTES TO THE FINANCIAL STATEMENTS

[in thousands of dollars]

December 31, 2005

17. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2005 financial statements.

2001 CNPI T2 FEDERAL TAX RETURN

**T2 CORPORATION INCOME TAX RETURN**
(2001 and later taxation years)

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

Sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and *General Index of Financial Information (GIFI)* to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file returns, see items 1 to 5 in the guide.

055 Do not use this area**Identification****Business Number (BN)** (item 11) **001 872498225 R C 0001****002 Corporation's name** (item 12)**CANADIAN NIAGARA POWER INC.**Has the corporation changed its name since the last time we were notified? **003** 1 Yes ☐ 2 No ☒If yes, do you have a copy of the articles of amendment? **004** 1 Yes ☐ 2 No ☐**Address of head office** (item 13)Has the address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒**011 1130 BERTIE STREET****012****City**
015 FORT ERIE**Province, territory or state**
016 ON**Country (other than Canada)**
017 CA**Postal code / ZIP code**
018 L2A5Y2**Mailing address** (If different from head office address) (item 14)Has the address changed since the last time we were notified?
1 Yes ☐ 2 No ☒**c/o****022****023****City**
025 FORT ERIE**Province, territory or state**
026**Country (other than Canada)**
027**Postal code / ZIP code**
028**Location of books and records** (item 15)**031 1130 BERTIE STREET****032****City**
035 FORT ERIE**Province, territory or state**
036 ON**Country (other than Canada)**
037 CA**Postal code / ZIP code**
038 L2A5Y2**040 Type of corporation at the end of the taxation year** (item 16)

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

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

YYYY MM DD

To which taxation year does this return apply? (item 17)Taxation year start
060 2001/01/01
YYYY MM DDTaxation year-end
061 2001/12/31
YYYY MM DDHas there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☐ 2 No ☒If yes, provide the date control was acquired **065** YYYY MM DD**Is the corporation a professional corporation that is a member of a partnership?** (item 18) **067** 1 Yes ☐ 2 No ☒**Is this the first year of filing after:**Incorporation? (item 19) **070** 1 Yes ☐ 2 No ☒
Amalgamation? (item 20) **071** 1 Yes ☐ 2 No ☒

If yes, please provide Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year? (item 21)If yes, please provide Schedule 24 **072** 1 Yes ☐ 2 No ☒**Is this the final taxation year before amalgamation?** (item 22). **076** 1 Yes ☐ 2 No ☒**Is this the final return up to dissolution?** (item 23). **078** 1 Yes ☐ 2 No ☒**Is the corporation a resident of Canada?** (item 24)**080** 1 Yes ☒ 2 No ☐ If no, give the country of residence.
081**Is the non-resident corporation claiming an exemption under an income tax treaty?** (item 24)If yes, please provide Schedule 91 . . . **082** 1 Yes ☐ 2 No ☒**If the corporation is exempt from tax under section 149 tick one of the following boxes:** (item 25)

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

Do not use this area

091	092	093
094	095	096
097		

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules
Schedules - Answer the following questions. For each yes response, attach to the T2 return the schedule that applies.

		Yes	No	Sched:
Guide item				
27	Is the corporation related to any other corporations?	150 <input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28	Does the corporation have any non-resident shareholders?	151 <input type="checkbox"/>	<input checked="" type="checkbox"/>	19
29	Is the corporation an associated Canadian-controlled private corporation?	160 <input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161 <input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162 <input checked="" type="checkbox"/>	<input type="checkbox"/>	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163 <input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	<input checked="" type="checkbox"/>	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166 <input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167 <input type="checkbox"/>	<input checked="" type="checkbox"/>	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corp. or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168 <input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41	Did the corporation have any foreign affiliates during the year?	169 <input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170 <input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171 <input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172 <input type="checkbox"/>	<input checked="" type="checkbox"/>	—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 <input checked="" type="checkbox"/>	<input type="checkbox"/>	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 <input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202 <input checked="" type="checkbox"/>	<input type="checkbox"/>	2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76	Is the corporation claiming any type of losses?	204 <input checked="" type="checkbox"/>	<input type="checkbox"/>	4
131	Is the corporation claiming provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205 <input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206 <input type="checkbox"/>	<input checked="" type="checkbox"/>	6
102	(i) Is the corporation claiming the small business deduction and reporting income from:(a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207 <input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208 <input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58	Does the corporation have any property that is eligible capital property?	210 <input checked="" type="checkbox"/>	<input type="checkbox"/>	10
59	Does the corporation have any resource-related deductions?	212 <input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60	Is the corporation claiming reserves of any kind?	213 <input checked="" type="checkbox"/>	<input type="checkbox"/>	13
61	Is the corporation claiming a patronage dividend deduction?	216 <input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an add. deduction? ..	217 <input type="checkbox"/>	<input checked="" type="checkbox"/>	17
149	Is the corporation an investment corporation or a mutual fund corporation?	218 <input type="checkbox"/>	<input checked="" type="checkbox"/>	18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220 <input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
117	Is the corporation claiming any federal or provincial foreign tax credits or any federal or provincial logging tax credits? ..	221 <input type="checkbox"/>	<input checked="" type="checkbox"/>	21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226 <input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
110	Does the corporation have any Canadian manufacturing and processing profits?	227 <input type="checkbox"/>	<input checked="" type="checkbox"/>	27
120	Is the corporation claiming an investment tax credit?	231 <input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232 <input type="checkbox"/>	<input checked="" type="checkbox"/>	T661/T665
123	Is the corporation subject to gross Part 1.3 tax?	233 <input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236 <input checked="" type="checkbox"/>	<input type="checkbox"/>	36
123	Is the corporation claiming a surtax credit?	237 <input type="checkbox"/>	<input checked="" type="checkbox"/>	37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238 <input type="checkbox"/>	<input checked="" type="checkbox"/>	38
127	Is the corporation claiming a Part I tax credit?	242 <input type="checkbox"/>	<input checked="" type="checkbox"/>	42
128	Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? ..	243 <input type="checkbox"/>	<input checked="" type="checkbox"/>	43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244 <input type="checkbox"/>	<input checked="" type="checkbox"/>	45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249 <input type="checkbox"/>	<input checked="" type="checkbox"/>	46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250 <input type="checkbox"/>	<input checked="" type="checkbox"/>	39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251 <input type="checkbox"/>	<input checked="" type="checkbox"/>	40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252 <input type="checkbox"/>	<input checked="" type="checkbox"/>	41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131

Attachments - continued from page 2

Guide item

	Yes	No	Sched.
Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*
Is the corporation claiming a film or video production service tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
-- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
-- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? ..	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
-- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's major business activity? (item 50) 282 <u>ELECTRICAL ENERGY</u>			
(Only complete if yes was entered at line 281.)			
If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) 283 1 Wholesale <input type="checkbox"/> 2 Retail <input type="checkbox"/>			
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)	284 <u>ELECTRICAL ENERGY</u>	285 <u>100.</u>	%
	286 _____	287 _____	%
	288 _____	289 _____	%
Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL (item 77)	300	<u>-91,312</u>	A
Deduct: Charitable donations from Schedule 2 (item 78)	311	_____	
Gifts to Canada or a province from Schedule 2 (item 79)	312	_____	
Cultural gifts from Schedule 2 (item 80)	313	_____	
Ecological gifts from Schedule 2 (item 81)	314	_____	
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3 (item 82)	320	_____	
Part VI.1 tax deduction from Schedule 43 (item 83)	325	_____	
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331	_____	
Net-capital losses of preceding taxation years from Schedule 4 (item 85)	332	_____	
Restricted farm losses of preceding taxation years from Schedule 4 (item 86)	333	_____	
Farm losses of preceding taxation years from Schedule 4 (item 87)	334	_____	
Limited partnership losses of preceding taxation years from Schedule 4 (item 88) .	335	_____	
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340	_____	
Prospector's and grubstaker's shares (item 90)	350	_____	
Subtotal		_____	B
Subtotal (amount A minus amount B)		_____	C
lineAdd: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) addition (item 91)	355	_____	D
Taxable income (amount C plus amount D) (item 92)	360	_____	
Income exempt under paragraph 149(1)(t) (item 93)	370	_____	
able income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)		_____	Z

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95)	400	
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax (item 96)	405	B
Business limit (for associated corporations, enter business limit from Schedule 23) (item 97)	410	C
Reduction to business limit: (item 98)		
Amount C x 415 ***	D	E
	11,250	
Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	F
Small business deduction - 16% of the least of amounts A, B, C, and F	430	G
(enter amount G on line 9 on page 7.)	<NIL>	

- * Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.
- *** Large corporation tax for preceding year - Enter the total gross Part 1.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425)	x 3/2 =	A
Net active business income (amount from line 400) *		B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax	C	
Deduct:		
Aggregate investment income (amount from line 440 of page 6)	D	
Amount C minus amount D (if negative, enter "0")		
The least of amounts A, B, or E above		F
Amount Z from Part 9 of Schedule 27	x 100/7 =	G
Amount QQ from Part 13 of Schedule 27		H
Resource allowance (amount from line 346 of Schedule 1)	x 3 =	I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		J
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction.		K
Total of amounts G, H, I, J, and K		L
Amount F minus amount L (if negative, enter "0")		M
Amount M x Number of days in the taxation year after December 31, 2000	=	N
	365	
Accelerated tax reduction - 7% of amount N		O
(enter amount O on line 637 on page 7)		

- * If the amount at line 450 of Schedule 7 is positive, specified partnerships need to use Schedule 70 to calculate net active business income.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

General tax reduction for Canadian-controlled private corporations (item 100)

Canadian-controlled private corporations throughout the taxation year

Taxable Income from line 360 or amount Z of page 3					A
Amount Z from Part 9 of Schedule 27	x 100/7 =				B
Amount QQ from Part 13 of Schedule 27					C
Resource allowance (amount from line 346 of Schedule 1)	x 3 =				D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)					E
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4					F
Aggregate investment income from line 440 on page 6					G
Amount used to calculate the accelerated tax reduction (amount M on page 4)					H
Total of amounts B, C, D, E, F, G, and H					I
Amount A minus amount I (if negative, enter "0")					J
Amount J	x	Number of days in the taxation year in 2001		X 1% =	K
		Number of days in the taxation year	365		
Amount J	x	Number of days in the taxation year in 2002		X 3% =	L
		Number of days in the taxation year	365		

General tax reduction for Canadian-controlled private corporations - amount K plus amount L M
(enter amount M on line 638 of page 7)

General tax reduction (item 101)

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

able income from line 360 or amount Z of page 3					A
Amount Z from Part 9 of Schedule 27	x 100/7 =				B
Amount QQ from Part 13 of Schedule 27					C
Resource allowance (amount from line 346 of Schedule 1)	x 3 =				D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)					E
Total of amounts B, C, D, and E					F
Amount A minus amount F (if negative, enter "0")					G
Amount G	x	Number of days in the taxation year in 2001	365	X 1% =	H
		Number of days in the taxation year	365		
Amount G	x	Number of days in the taxation year in 2002		X 3% =	I
		Number of days in the taxation year	365		

General tax reduction - amount H plus amount I J
(enter amount J on line 639 of page 7)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Refundable portion of Part I tax (item 102)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % =
(Amount O from Part 1 of Schedule 7) (if negative, enter "0") **B**

Amount A minus amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 .

Foreign non-business income tax

credit from line 632 on page 7 X 25/9

Foreign business income tax

credit from line 636 on page 7 X 10/4

..... X 26 2/3 % = **D**

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

Deduct corporate surtax from line 600 of page 7

Net Amount **E**

Refundable portion of Part I tax - The least of amounts C, D, and E **450** **<NIL>** **I**

Refundable dividend tax on hand (item 103)

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

Deduct dividend refund for the previous taxation year **465**

..... **A**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation **480**

..... **B**

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B **485** **<NIL>**

Dividend refund (item 104)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **A**

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

Dividend refund - Lesser of amounts of A and B (enter this amount on line 784 of page 8)

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 105) **550** A

Corporate surtax calculation (item 106)

Base amount from line A above **1**

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 **2**

Investment corporation deduction from line 620 below **3**

Federal logging tax credit from line 640 below **4**

Federal qualifying environmental trust tax credit from line 648 below **5**

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:

28% of taxable income from line 360 on page 3 a

28% of taxed capital gains b

Part I tax otherwise payable c

(line A plus lines C and D minus line F)

Total of lines 2 to 6 **7**

Net amount (line 1 minus line 7) **8**

Corporate surtax - 4% of the amount on line 8 **600** <NIL> B

Recapture of Investment tax credit from line XX in Part 16 on page 8 of Schedule 31 (item 107) **602** C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income

(for a CCPC throughout the taxation year) (item 108)

Aggregate investment income from line 440 on page 6 **i**

Taxable income from line 360 on page 3 **ii**

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4

Net amount **ii**

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii **604** D

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

Deduct:

Small business deduction from line 430 of page 4 **9**

Federal tax abatement (item 109) **608**

Manufacturing and processing profits deduction

from amount BB or amount VV of Schedule 27 (item 110) **616**

Investment corporation deduction (item 111) **620**

(taxed capital gains **624**)

Additional deduction - credit unions from Schedule 17 (item 112) **628**

Federal foreign non-business income tax credit from Schedule 21 (item 113) **632**

Federal foreign business income tax credit from Schedule 21 (item 114) **636**

Accelerated tax reduction from amount O of page 4 (item 115) **637**

General tax reduction for CCPCs from amount M of page 5 (item 116) **638**

General tax reduction from amount J of page 5 (item 116) **639**

Federal logging tax credit from Schedule 21 (item 117) **640**

Federal political contribution tax credit (item 118) **644**

Federal political contributions **646**

Federal qualifying environmental trust tax credit (item 119) **648**

Investment tax credit from Schedule 31 (item 120) **652**

Subtotal F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 121) <NIL> G

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 122)	700	
Part I.3 tax payable from Schedule 33, 34 or 35 (item 123)	704	89,312
Part II surtax payable from Schedule 46 (item 124)	708	
Part IV tax payable from Schedule 3 (item 125)	712	
Part IV.1 tax payable from Schedule 43 (item 126)	716	
Part VI tax payable from Schedule 38 (item 127)	720	
Part VI.1 tax payable from Schedule 43 (item 128)	724	
Part XIII.1 tax payable from Schedule 92 (item 129)	727	
Part XIV tax payable from Schedule 20 (item 130)	728	
Total federal tax		89,312

Add provincial and territorial tax:

 Provincial or territorial jurisdiction (item 131) **750 Ontario**

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

 Net provincial and territorial tax payable (except Que., Ont. and Alberta) (item 132) **760**
 Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 146) **765**

Total tax payable	770	89,312	A
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Deduct other credits:

Investment tax credit refund from Schedule 31 (item 147)	780
Dividend refund from page 6 (item 148)	784
Federal capital gains refund from Schedule 18 (item 149)	788
Federal qualifying environmental trust tax credit refund (item 150)	792
Canadian film or video production tax credit refund from Form T1131 (item 151)	796
Film or video production services tax credit refund from Form T1177 (item 152)	797
Tax withheld at source (item 153)	800
Total payments on which tax has been withheld (item 153) 801	
Allowable refund for non-resident-owned investment corporations	
from Schedule 26 (item 154)	804
Provincial and territorial capital gains refund from Schedule 18 (item 155)	808
Provincial and territorial refundable tax credits from Schedule 5 (item 156)	812
Royalties deduc. under Syncrude Remis. Order (item 157)	815
Tax remitted under Syncrude Remission Order (item 157)	816
Tax instalments paid (item 158)	840

Total credits	890	65,592	B
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Refund code

 (item 159) **894**

Overpayment

(Item 162)

Balance (line A minus line B)	23,720	C
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Direct Deposit Request (item 163)

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

<input type="checkbox"/> Start	<input type="checkbox"/> Change information	910
		Branch number
914	918	
Institution number	Account number	

If the result is negative, you have an **overpayment**.
 If the result is positive, you have a **balance unpaid**.
 Enter the amount on whichever line applies.
 We do not charge or refund a difference of less than \$2.

Balance unpaid (item 162)	23,720
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Enclosed payment (item 161)	898
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If the corporation is a Canadian-controlled private corporation throughout the taxation year does it qualify for the one month extension of the date the balance of tax is due? (item 160). . . **896**

1 Yes ☐ 2 No ☒

Certification (item 164)

 I, **950 CURTIS**

Last name in block letters

951 TIM

First name in block letters

954 CHIEF FINANCIAL OFFI

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 30/06/2002

Date (dd/mm/yyyy)

Signature of an authorized signing officer of the corporation

956 (905) 871-0330

Telephone number

Is the contact person the same as the authorized signing officer? If no, complete the information below ...

957 1 Yes ☐ 2 No ☒

958 HARRY CLUTTERBUCK

Name in block letters

959 (905) 871-0330

Telephone number

Language of correspondence - Langue de correspondance (item 165)

990 Please indicate the language of your choice.

Indiquer la langue de correspondance de votre choix.

 1 English/Anglais ☒

 2 Francais/French ☐

No longer required by the CCRA. Submit the RSI forms only

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
IADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Net income (loss) after taxes and extraordinary items per financial statements 383,181 A *A₁₃*

Add:

Provision for income taxes - current	101	188,804	<i>A₁₂ ✓</i>
Provision for income taxes - deferred	102	291,124	
Interest and penalties on taxes	103		
Amortization of tangible assets	104	✓ 2,161,126	<i>A₁₃ ✓</i>
Amortization of natural resource assets	105		
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes - joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111	460,050	<i>A₈/E₇ ✓</i>
Charitable donations from Schedule 2	112	250	<i>G₁ ✓</i>
Taxable capital gains from Schedule 6	113		
Political donations	114		
Holdbacks	115		
Deferred and prepaid expenses	116		
Depreciation in inventory - end of year	117		
Scientific research expenditures deducted per financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expenses	121	8,053	<i>B₄ ✓</i>
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year from Schedule 13	125	232,387	<i>E₁ ✓</i>
Reserves from financial statements - balance at the end of the year	126	326,491	
Soft costs on construction and renovation of buildings	127		
Total of fields 201 to 294 on page 2	199	✓ 68,522	<i>not 1000</i>
Total of fields 101 to 199	500	3,736,807	▶ 3,736,807

Deduct:

Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83 from Schedule 3	402		
Capital cost allowance from Schedule 8	403	2,570,062	<i>✓</i>
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405		
Allowable business investment loss - Schedule 6	406		
Foreign non-business tax deduction under subsection 20(12)	407		
Holdbacks	408		
Deferred and prepaid expenses	409		
Depreciation in inventory - end of prior year	410		
Scientific research expenses claimed in year from Form T661	411		
Tax reserves claimed in current year from Schedule 13	413	185,505	<i>E₁ ✓</i>
Reserves from financial statements - balance at the beginning of the year	414	277,422	
Patronage dividends from Schedule 16	416		
Contributions to deferred income plans from Schedule 15	417		
Total of fields 300 to 394 on page 3	499	1,178,311	
Total of fields 401 to 499	510	4,211,300	▶ 4,211,300

Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return -91,312

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	

Other additions:

600	LARGE CORP TAX DEDUCTED FOR ACCOUNTING	290	67,522	Al
601	ONTARIO SPECIFIED TAX CREDITS	291	1,000	Ha
602		292		
603		293		
604		294		

Total of fields 201 to 294 (enter this amount at line 199 on page 1) 68,522

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700 CAPITALIZED INTEREST DURING CONSTRUCTION	390	214,844	Fig
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	451,142	Fig
702 LEGAL FEE-PORT COLBOURNE OPERATING LEASE	392	512,325	Fig
703	393		
704	394		

Total of fields 300 to 394 (enter this amount at line 499 on page 1) 1,178,311

CHARITABLE DONATIONS AND GIFTS
(1998 and later taxation years)

SCHEDULE 2

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

- For use by corporations to claim any of the following:
 - Charitable donations;
 - Gifts to Canada or a province (see reverse);
 - Gifts of certified cultural property (see reverse); or
 - Gifts of certified ecologically sensitive land (see reverse).
- The donations and gifts are eligible for a five year carry-forward.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the *federal Income Tax Act*.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Charitable donations

Charitable donations at end of preceding taxation year					A
Deduct: Donations expired after 5 taxation years	239				
Charitable donations at beginning of taxation year	240				
Add:					
Donations transferred on amalgamation or wind-up of subsidiary	250				B
Total current year charitable donations made	210	250			C
Subtotal: Amount B plus amount C		250		250	D
Total donations available				250	E
Deduct: Amount applied against taxable income: (enter amount from line S)	260				F
Charitable donations closing balance	280			250	G

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * multiplied by 75%					H
Taxable capital gains arising in respect of gifts of capital property	225				I
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227				J
Add the lesser of:					
1) The amount of the recapture of capital cost allowance in respect of charitable gifts	230				K
2) The lesser of:					
i) Proceeds of dispositions less outlays and expenses					L
ii) The capital cost					M
The lesser of amounts L and M	235				N
The lesser of amounts K and N					O
Subtotal: Amount I plus amount J plus amount O					P
Amount P multiplied by 25%					Q
Maximum deduction allowable: (amount H plus amount Q)					R
Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes)					S
(Enter amount S on line 311 on page 3 of the T2 return)					

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 3 - Gifts to Canada or province

o Canada or a province at the end of the preceding taxation year	_____
Deduct: Gifts to Canada or a province expired after 5 taxation years	339
Gifts to Canada or a province at the beginning of the taxation year	340
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350
Total current year gifts made to Canada or a province	310
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 312 on page 3 of the T2 return)	360
Gifts to Canada or a province closing balance	380

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	_____
Deduct: Gifts of certified cultural property expired after 5 taxation years	439
Gifts of certified cultural property at the beginning of the taxation year	440
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450
Total current year gifts of certified cultural property	410
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 313 on page 3 of the T2 return)	460
Gifts of certified cultural property closing balance	480

Part 5 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	_____
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550
Total current year gifts of certified ecologically sensitive land	510
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 314 on page 3 of the T2 return)	560
Gifts of certified ecologically sensitive land closing balance	580

Part 6 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Canada or a province	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
<u>1997/12/31</u>	_____	_____	_____	_____
<u>1998/12/31</u>	_____	_____	_____	_____
<u>1999/12/31</u>	_____	_____	_____	_____
<u>2000/12/31</u>	_____	_____	_____	_____
<u>2001/12/31</u>	250	_____	_____	_____

Totals

250	_____	_____	_____
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Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Part 7 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996				<NIL>	
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001		250			250
Total		250			250

Part 8 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>

Part 9 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>

Part 10 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>



Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

- For use by a corporation to determine the continuity and use of available losses; to determine the current year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carry-back to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For detailed description and calculation of these losses, see IT-232, *Losses-Deductibility in the Loss Year or in Other Years*. For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax center where the return is filed.
- Parts, sections, subsections and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 - Non-Capital Losses**Determination of current year non-capital loss**

Net income (loss) for income tax purposes		\$	-91,312
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares-Paragraph 110(1)(d.2)			
	Subtotal - if positive, enter "0"		-91,312
Deduct: (increase a loss)			
Section 110.5 - Addition for foreign tax deductions			
	Subtotal		-91,312
Add: (decrease a loss)			
Current year farm loss			
Current year non-capital loss (if positive, enter "0")		\$	-91,312

Continuity of non-capital losses and request for carry-back

Non-capital loss at the end of preceding taxation year	\$	55,556	
Deduct:			
Non-capital loss expired after seven taxation years	100		
Non-capital losses at the beginning of taxation year	102	55,556	
Add:			
Non-capital losses transferred on amalgamation or wind-up of subsidiary	105		
Current year non-capital loss (from calculation above)	110	91,312	\$ 146,868
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Section 80 Adjustments for forgiven amounts	140		
Other adjustments	150		
	Subtotal		146,868
Deduct - Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901		
Second preceding taxation year to reduce taxable income	902		
Third preceding taxation year to reduce taxable income	903		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	912		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses - Closing balance (if negative, enter zero)	180	\$	146,868

Election under paragraph 88(1.1)(f)

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2001/12/31
-----------------------------------------------------------	---------------------------------------------	----------------------------------------------

Part 2 - Capital Losses

Continuity of capital losses and request for carry-back

Capital losses at end of preceding taxation year	200	\$	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205		
Current year capital loss (from Schedule 6 calculation)	210		\$
Add:			
Allowable business investment loss expired as non-capital loss		\$	x 4/3 220
			Subtotal
Deduct:			
Amount applied against current year capital gain	225		
Section 80 adjustment for forgiven amounts	240		
Other adjustments	250		
			Subtotal
Deduct - Request to carry back capital loss to: (see note 2)			
First preceding taxation year	951		
Second preceding taxation year	952		
Third preceding taxation year	953		
Capital losses - closing balance	280	\$	

Note 1: On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2: Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm Losses

Continuity of farm losses and request for carry-back

Farm losses at end of preceding taxation year		\$	
Deduct:			
Loss expired after ten taxation years	300		
Farm losses at beginning of taxation year	302		
Farm losses transfer on amalgamation or wind-up of subsidiary	305		
Current year farm loss	310		\$
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 adjustment for forgiven amounts	340		
Other adjustments	350		
			Subtotal
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - closing balance	380	\$	

Part 4 - Restricted Farm Losses

Current year restricted farm loss

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 4 - Restricted Farm Losses (continued)

Continuity of restricted farm losses and request for carry-back

Restricted farm losses at end of preceding taxation year	\$	
Deduct: Restricted farm loss expired after ten taxation years	400	
Restricted farm losses at beginning of taxation year	402	
Add:		
Restricted farm losses transferred on amalgamation or wind-up of subsidiary	405	
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	\$
Deduct:		
Amount applied against farming income (enter on line 333 of the T2 return)	430	
Section 80 Adjustments for forgiven amounts	440	
Other adjustments	450	
	Subtotal	
Deduct - Request to carry back restricted farm loss to:		
First preceding taxation year to reduce farming income	941	
Second preceding taxation year to reduce farming income	942	
Third preceding taxation year to reduce farming income	943	
Restricted farm losses - closing balance	480	\$

Note: The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed Personal Property Losses

Continuity of listed personal property loss and request for carry-back

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

Part 6 - Analysis of Balance of Losses by Year of Origin

Year of origin	Non-capital losses \$	Farm losses \$	Restricted farm losses \$	Listed personal property losses \$
2001/12/31	91,312			
2000/12/31				
1999/12/31	55,556			
1998/12/31				
1997/12/31				
1996/12/31				
1995/12/31				
1994/12/31				
1993/12/31				
1992/12/31				
Total	146,868			

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 7 - Limited Partnership Losses

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

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending YYYY/MM/DD	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Total of corporation's share of partnership investment tax credit, business or property losses and resource expenses	Columns 4 - 5 If negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 650
630	632	634	636	638		
1.						
2.						
3.						
4.						
5.						

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Limited partnership losses at end of preceding taxation year	Limited partnership losses transfer on amalgamation or wind-up of subsidiary	Current year limited partnership losses (from column 620)	Limited partnership losses applied (cannot exceed column 650)	Limited partnership losses closing balance (662+664+670-675) 680
660	662	664	670	675	
1.					
2.					
3.					
4.					
5.					

Total (enter this amount on line 335 of the T2 return)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
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Continuity of Losses Carried Forward

SCHEDULE 4 - Federal Supplement

Capital losses - gross amount

Balance - beginning of year

Losses carried forward from previous years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1991					
31/12/1992					
31/12/1993					
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1998					
31/12/1999	55.556				
31/12/2000					
Total	55.556	<NIL>	<NIL>	<NIL>	<NIL>

Continuity of losses

	Non-Capital Losses	Capital losses (gross amount)	Farm Losses	Restricted Farm Losses	Listed Property
Balance - beginning of year	55.556				
Additions:					
Current year losses	91,312				
Losses from pred. companies					
Sub-Total	146,868				
Less: Utilized during year					
- to reduce taxable income					
- to reduce part IV tax					
Expired during the year					
Less: Carried back					
- to reduce taxable income					
- to reduce part IV tax					
Sub-Total					
Balance - end of year	146.868	<NIL>	<NIL>	<NIL>	<NIL>

Losses carried forward to future years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1992					
31/12/1993					
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1998					
31/12/1999	55.556				
31/12/2000					
31/12/2001	91,312				
Total	146,868	<NIL>	<NIL>	<NIL>	<NIL>



CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

(1998 and later taxation years)

of Corporation NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2001/12/31
---------------------------------------------	---------------------------------------------	----------------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		31,254,889	6,673,301		416,906	37,511,284	3,128,198	34,383,086	4.0	1,375,323	36,135,961
2		3,419,750				3,419,750		3,419,750	6.0	205,185	3,214,565
8		801,479	42,045		25	843,499	21,010	822,489	20.0	164,498	679,001
10		1,136,940	421,884		22,000	1,536,824	199,942	1,336,882	30.0	401,065	1,135,759
12		246,504	354,975			601,479	177,488	423,991	100.	423,991	177,488
Total		36,859,562	7,492,205		438,931	43,912,836	3,526,638	40,386,198		2,570,062	41,342,774

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

**CAPITAL COST ALLOWANCE (CCA)
(1998 and later taxation years)**

SCHEDULE 8SUM - Federal

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐

2 No ☒

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	36859.562	7.492.205		438.931	43912.836	3.526.638	40386.198
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			2.570.062	41342.774			
10.1							
13							
14							
Total			2.570.062				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture _____ (Schedule 1 Line 107)
Terminal loss _____ (Schedule 1 Line 404)
CCA Claimed 2.570.062 (Schedule 1 Line 403)



RELATED AND ASSOCIATED CORPORATIONS
(1998 and later taxation years)

SCHEDULE 9

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

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

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

Name 100	Country of residence (other than Canada) 200	Business number (Note 1) 300	Relationship code (Note 2) 400	No. of common shares owned 500	% of common shares owned 550	Number of pfd shares owned 600	% of pfd shares owned 650	Book value of capital stock 700
CANADIAN NIAGARA POW	CA	100768985	1					
1161557 ONTARIO LIM	CA	893291740	3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

**CUMULATIVE ELIGIBLE CAPITAL DEDUCTION**
(2000 and later taxation years)**SCHEDULE 10**

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
-----------------------------------------------------------	---------------------------------------------	----------------------	-------------------------------------

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

PART 1 - CALCULATION OF CURRENT YEAR DEDUCTION AND CARRY-FORWARDCumulative eligible capital - balance at end of preceding taxation year (if negative, enter "0") **200** 7 **A****Add:**

Cost of eligible capital property acquired during the taxation year **222** **B**
 Amount transferred on amalgamation or wind-up of subsidiary **224** **C**
 Other adjustments **226** **D**
 (Add amounts B, C, and D) **x 3/4 =** **E**

Subtotal (amount A plus amount E) **230** 7 **F****Deduct:**

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year **242** **G**
 The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) **244** **H**
 Other adjustments **246** **I**
 (Add amounts G, H, and I) **x 3/4 =** **248** **J**

Cumulative eligible capital balance (amount F minus amount J) 7 **K**

(if amount K is negative, enter "0" at line M and proceed to Part 2)

Current year deduction amount K 7 **x 7% =** **250** **L**

(deduct amount L at line 405 of Schedule 1)

Cumulative eligible capital - closing balance **300** 7 **M**

(amount K minus amount L) (if negative, enter "0")

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

PART 2 - AMOUNT TO BE INCLUDED IN INCOME ARISING FROM DISPOSITION

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

Amount from line K above (show as a positive amount) **N**

Total of cumulative eligible capital deductions from income for

taxation years beginning after June 30, 1988 **400** **1**

Total of all amounts which reduced cumulative eligible capital in the

current or prior years under subsection 80 (7) **401** **2**

Total of cumulative eligible capital deductions claimed

for taxation years commencing before July 1, 1988 **402** **3**

Negative balances in the cumulative eligible capital account

that were included in income for taxation years beginning

before July 1, 1988 **408** **4**Line 3 minus line 4 **5**Total of line 1, 2, and 5 **6**

Line T from Schedule 10 of previous taxation years ending

after February 27, 2000 **409** **7**Line 6 minus line 7 **O**Line N minus line O (cannot be negative) **P**Amount on line 5 **x 1/2** **Q**Line P minus line Q **R**Amount on line R **x 2/3 *** **S**Lesser of line N or line O **T**Amount to be included in income on line 108 of Schedule 1, line S plus line T **410**

* For taxation years ending after February 27, 2000 and before October 18, 2000, use the fraction 8/9 to calculate line S.

For taxation years ending before February 28, 2000, no reduction can be claimed, use the fraction 1/1 to calculate line S.



TRANSACTIONS WITH SHAREHOLDERS, OFFICERS OR EMPLOYEES
(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

Provide the details of any transactions with shareholders, officers or employees that involve:

- payments the corporation made or amounts credited to the account of shareholders, officers, or employees, that were not part of their remuneration or reimbursement of expenses;
- assets the corporation sold to or purchased from shareholders, officers, or employees, including those for which an election was made under section 85; or
- loans or indebtedness to shareholders, officers, or employees, or persons connected with a shareholder that were not repaid by the end of the taxation year.

	Relationship code (see note 1) 100	Payments \$ 200	Reimbursement \$ 300	Loans \$ 400	Assets sold or purchased \$ 500	Does section 85 apply to assets sold or purchased? 550
1.	1			10,000,000		Yes <input type="checkbox"/> No <input type="checkbox"/>
2.						Yes <input type="checkbox"/> No <input type="checkbox"/>
3.						Yes <input type="checkbox"/> No <input type="checkbox"/>
4.						Yes <input type="checkbox"/> No <input type="checkbox"/>
5.						Yes <input type="checkbox"/> No <input type="checkbox"/>
6.						Yes <input type="checkbox"/> No <input type="checkbox"/>
7.						Yes <input type="checkbox"/> No <input type="checkbox"/>
8.						Yes <input type="checkbox"/> No <input type="checkbox"/>
9.						Yes <input type="checkbox"/> No <input type="checkbox"/>
10.						Yes <input type="checkbox"/> No <input type="checkbox"/>
11.						Yes <input type="checkbox"/> No <input type="checkbox"/>
12.						Yes <input type="checkbox"/> No <input type="checkbox"/>
13.						Yes <input type="checkbox"/> No <input type="checkbox"/>

Note: Enter the code number of the relationship that applies: 1 - Shareholder
2 - Officer
3 - Employee

CONTINUITY OF RESERVES
(1998 and later taxation years)

SCHEDULE 13

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2001/12/31
-----------------------------------------------------------	---------------------------------------------	----------------------------------------------

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 232,387	46,882		135	140 185,505
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 232,387	46,882	<NIL>	275 <NIL>	280 185,505

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.



MISCELLANEOUS PAYMENTS TO RESIDENTS
(1998 and later taxation years)

SCHEDULE 14

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	CNP CO LTD	1130 BERTIE STREET FORT ERIE ON L2A5Y2			342,300		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

**PART 1.3 TAX ON LARGE CORPORATIONS**
(1998 and later taxation years)**SCHEDULE 33**

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part 1.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part 1.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part 1.3 tax is payable for a taxation year by a corporation that was:
 - a non-resident - owned investment corporation throughout the year;
 - bankrupt (as defined by subsection 128(3)) at the end of the year;
 - a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - exempt from tax under section 149 throughout the year on all of its taxable income;
 - neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
 - a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* within six months from the end of the taxation year.

Filing date (for departmental use only)

100

Year Month Day

Complete the following areas to determine the amounts needed to calculate Part 1.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I ..	101	2,435,254	G3
Capital stock (or members' contributions if incorporated without share capital)	103	21,400,000	
Retained earnings	104	807,787	A5
Contributed surplus	105		
Any other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	213,229	G3
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	24,820,811	A5
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111		
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112		

Subtotal 49,677,081

49,677,081

A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121		
Any deficit deducted in computing the shareholders' equity	122		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123		
The amount of deferred unrealized foreign exchange losses	124		
	Subtotal		



B

Capital for the year (amount A minus amount B) (if negative, enter "0")

190

49,677,081

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (otherwise than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership	407	
Investment allowance for the year	490	

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)	49,677,081	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 49,677,081	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500)	49,677,081	x	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	49,677,081
			Taxable income		1,000				

- As:**
- 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - 2) Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - 3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada

701

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada

711

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada

712

Total amount of carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada

713

Total deductions (add lines 711, 712, and 713) ▶ E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")

790

Part 6 - Calculation of gross Part 1.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)	49,677,081	
Deduct: Capital deduction claimed for the year (enter \$10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801 9,982,940	
Excess of taxable capital employed in Canada over capital deduction	811 39,694,141	
Gross Part 1.3 tax: Line 811 39,694,141 x .00225 =	89,312	F
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:		
Amount F 89,312 x Number of days in the year (365) =	89,312	G
365		
Gross Part 1.3 tax (amount F or G, whichever applies)	820 89,312	

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part 1.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return		
b) line 700 plus line 660 from the T2 return		H

In any other case, the lesser of c and d below:

c) line 600 from the T2 return	x	line 690 of this schedule 49,677,081 line 500 of this schedule 49,677,081	=		
d) line 700 plus line 660 from the T2 return					I

Current year surtax credit (amount H or I, whichever applies)

830

Part 8 - Calculation of Part 1.3 tax credit available for carry-forward

Amount on line 830		
Less: Part 1.3 tax before deducting surtax credits (line 820)	89,312	J
	Net amount -89,312	K
If the amount on line K is <i>positive</i> , it represents the amount of Part 1.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part 1.3 tax credit balance		
		L
Note: The portion of amount K carried forward should be entered at line 660 of the T2 return.		
If the amount K is <i>negative</i> , it represents the amount of unused surtax credit of other years, that may be applied to reduce Part 1.3 tax payable in the current year		
	89,312	M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		
Less: Part 1.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		
Current year unused surtax credit (enter this amount on Schedule 37)	850	

Part 10 - Calculation of net Part 1.3 tax payable

Gross Part 1.3 tax (line 820)	89,312	N
Deduct the following amounts:		
Current year surtax credit applied (the lesser of lines 820 and 830)	861	
Unused surtax credit from prior years applied	862	
Total (cannot exceed amount on line 820)		O
Net Part 1.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	870 89,312	



AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX
(1998 and later taxation years)

of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000 among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2001	

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.

	Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter 'NR')	Allocation of capital deduction for the year \$	Taxation year to which this agreement applies* (YYYY /MM /DD)
	200	300	400	500
1.	CANADIAN NIAGARA POWER INC.	872498225	9,982,940	
2.	1161557 ONTARIO LIMITED	893291740	17,060	
3.	CANADIAN NIAGARA POWER COMPANY, LIMITED	100768985		
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
Total (not to exceed \$10,000,000)			10,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.



SHAREHOLDER INFORMATION
(1998 and later taxation years)

SCHEDULE 50

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001	12	31

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

Name of shareholder 100	Business number 200	Social insurance number 300	Percentage common shares 400	Percentage preferred shares 500
CANADIAN NIAGARA POWER COMPANY LIMITED	100768985		100.0	



- For use by corporations which have remitted instalment payments for the taxation year of the return being filed.
- The use of this schedule will assist the department in processing your return.
the statements of account balance (form T9 part 2) received from the department to prepare this schedule.

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
Name of corporation contact (for department enquiries) HARRY CLUTTERBUCK			Telephone Number (905) 871-0330	
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)	Amount of Credit		
31/01/2001	INSTALLMENTS	7,053		
28/02/2001	INSTALLMENTS	7,053		
31/03/2001	INSTALLMENTS	7,053		
30/04/2001	INSTALLMENTS	7,053		
31/05/2001	INSTALLMENTS	7,053		
30/06/2001	INSTALLMENTS	7,053		
31/08/2001	INSTALLMENTS	1,410		
30/09/2001	INSTALLMENTS	5,466		
31/10/2001	INSTALLMENTS	5,466		
30/11/2001	INSTALLMENTS	5,466		
31/12/2001	INSTALLMENTS	5,466		
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)		(A)	65,592	
Total instalments credited to the taxation year, per last T9 statement of account balance		(B)		

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective date of the transfer will be the date of assessment.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	31/12/2001

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.					
2.					
3.				to (362)	

Corporation's share of gross revenue:

Corporation's own gross revenue			21,405,875
---------------------------------------	--	--	------------

ADD:

1.		0			
2.		0			
3.		0			

Total gross revenue of corporation & partnerships		to (480)		21,405,875
---------------------------------------------------------	--	----------	--	------------

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.					
2.					
3.				to (400)	

Bonds & securities - Gov't/Municipality/School District:

1.					
2.					
3.				to (401)	

Bonds & debentures of other corporations:

1.					
2.					
3.				to (402)	

Mortgages due from other corporations:

1.					
2.					
3.				to (403)	

Shares in other corporations:

1.					
2.					
3.				to (404)	

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.					
2.					
3.				to (405)	

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.					
2.					
3.				to (406)	

Shares of partnership(s) or joint venture(s) eligible investments:

1.					
2.					
3.				to (407)	

LOANS AND ADVANCES:

From corporations or government					
From shareholders or related persons					
From Amounts > 120 days	24,820,811				
From Customer Deposits	27,724				
	185,505			to (353)	25,034,040

CANADIAN NIAGARA POWER INC.
SCHEDULE 33 - SUPPORTING SCHEDULES
December 31, 2001

LINE 101 - RESERVES

ACCRUED RETIREMENT BENEFIT LIABILITY	1,979,039
FUTURE INCOME TAXES	<u>456,215</u>
	2,435,254

LINE 108 - ALL LOANS AND ADVANCES

A/P > 365 DAYS	27,724
CUSTOMER DEPOSITS	<u>185,505</u>
	213,229

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2001/12/31
----------------------------------------------------	--------------------------------------	-------------------------	------------------------------------

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 1 of 3

ets

Current assets

Cash	1001	302,414
Trade accounts receivable	1062	2,758,511
Allowance for doubtful trade accounts receivable	1063	16,878
Inventory parts and supplies	1122	910,390
Prepaid expenses	1484	262,049
Total current assets	1599	4,216,486

Capital assets

Other machinery and equipment	1785	64,881,267
Accumulated amortization of other machinery and equipment	1786	17,595,062
Total tangible capital assets	2008	64,881,267
Total accumulated amortization of tangible capital assets	2009	17,595,062

Intangible Capital Assets

Total intangible capital assets	2178	
Total accumulated amortization of intangible capital assets	2179	

Long Term Assets

Deferred pension charges	2422	1,838,054
Total long term assets	2589	1,838,054

Assets held in trust	2590	
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Total assets *	2599	53,340,745
----------------------	------	------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 2 of 2

Liabilities

Current liabilities

Trade payables	2621	2,261,056
Taxes payable	2680	451,877
Total current liabilities	3139	2,712,933

Long term liabilities

Deferred income taxes	3240	456,215
Due to corporate shareholder(s)	3262	24,820,811
Long term obligations / commitments / capital leases	3321	1,979,039
General provisions / reserves	3325	1,163,961
Total long term liabilities	3450	28,420,026

Total liabilities *	3499	31,132,959
----------------------------------	-------------	-------------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 3 of 3

Shareholder Equity

Common shares	3500	21,400,000
Retained earnings / deficit (from Line 3849)	3600	807,786

Total shareholder equity *	3620	22,207,786
-----------------------------------------	-------------	-------------------

* Mandatory field

Retained Earnings Information

Retained earnings / deficit

Retained earnings / deficit - start	3660	424,605
Net income / loss	3680	383,181
Retained earnings / deficit - end (enter this amount at Line 3600)	3849	807,786

Total liabilities and shareholder equity	3640	53,340,745
-------------------------------------------------------	-------------	-------------------

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 12^F

Page 1 of 7

0001 Operating name - Required if different from corporation's legal name

CANADIAN NIAGARA POWER INC.

0002 Description of the operation - Required if filing more than one GIFI 125 and the operation is different from the main activity

ELECTRICAL ENERGY DISTRIBUTION

0003 Sequence Number

1

Revenue

Trade sales of goods and services 8000 21,864,715

Total sales of goods and services 8089 21,864,715

Deposits with banks interest 8103 1,210

Realized gains / losses on disposal of assets 8210 -460,050

Other Revenue

Total revenue * 8299 21,405,875

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 2 of 7

Cost of sales

Purchases / cost of materials	8320	<u>10,904,969</u>
Other direct costs	8450	<u>6,367,672</u>
Cost of sales	8518	<u>17,272,641</u>
 Gross profit / loss	 8519	 <u>4,592,074</u>

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2001/12/31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 3 c

Operating expenses

Promotion	8524	24,199
Amortization of tangible assets	8670	2,161,126
Interest paid on deposits	8741	802,520
Consulting fees	8863	230,291
Travel expenses	9200	51,989
Total operating expenses	9367	3,270,125

Total expenses *	9368	20,542,766
-------------------------------	-------------	-------------------

* Mandatory field

Net non-farming income	9369	863,109
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GIFI
SCHEDULE 141 - NOTES

Page 1 of 1

Notes Checklist

Involvement of accountant

0100 Who reported on/prepared the corporation's financial statements?

Choose only one of the following:

- ☒ **1** an independent auditor with a report that expressed no reservation
- ☐ **2** an independent auditor with a report that expressed a reservation
- ☐ **3** an independent accountant with a review engagement report that expressed no reservation
- ☐ **4** an independent accountant with a review engagement report that expressed a reservation
- ☐ **5** an independent accountant who conducted a compilation engagement with no review
- ☐ **6** an independent accountant with a compilation engagement and review engagement resulting in no reservation
- ☐ **7** an independent accountant with a compilation engagement and review engagement resulting in a reservation
- ☐ **8** prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant

Other information

- 0101** Were notes to the financial statements prepared? Yes
- 0102** Are any values presented at other than cost? No
- 0103** Has there been a change in accounting policies since the last return? No
- 0104** Are subsequent events mentioned in the notes? No
- 0105** Is re-evaluation of asset information mentioned in the notes? No
- 0106** Is contingent liability information mentioned in the notes? No
- 0107** Is information regarding commitments mentioned in the notes? No
- 0108** Does the corporation have investments in joint venture(s) or partnership(s)? No
- 0109** If yes, are you filing financial statements of the joint venture(s) or partnership(s)? No

2002 CNPI T2 FEDERAL TAX RETURN (JANUARY – JULY)

**T2 CORPORATION INCOME TAX RETURN**
(2001 and later taxation years)

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

sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and *General Index of Financial Information (GIFI)* to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file returns, see items 1 to 5 in the guide.

055 Do not use this area**Identification****Business Number (BN)** (item 11) **001 872498225 R C 0001****002 Corporation's name** (item 12)**CANADIAN NIAGARA POWER INC.**Has the corporation changed its name since the last time we were notified? **003** 1 Yes ☐ 2 No ☒If yes, do you have a copy of the articles of amendment? **004** 1 Yes ☐ 2 No ☐**Address of head office** (item 13)Has the address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒**011 1130 BERTIE STREET****012**

City

015 FORT ERIE

Province, territory or state

016 ON

Country (other than Canada)

017 CA

Postal code / ZIP code

018 L2A5Y2**Mailing address** (if different from head office address) (item 14)

Has the address changed since the last time we were notified?

1 Yes ☐ 2 No ☒

Use c/o

022**023**

City

025

Province, territory or state

026

Country (other than Canada)

027

Postal code / ZIP code

028**Location of books and records** (item 15)**031 1130 BERTIE STREET****032**

City

035 FORT ERIE

Province, territory or state

036 ON

Country (other than Canada)

037 CA

Postal code / ZIP code

038 L2A5Y2**040 Type of corporation at the end of the taxation year** (item 16)1 ☐ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation2 ☒ Other private corporation 5 ☐ Other corporation (please specify, below)3 ☐ Public corporationIf the type of corporation changed during the taxation year, please provide the effective date of the change **043**

YYYY MM DD

To which taxation year does this return apply? (item 17)

Taxation year start

060 2002/01/01

YYYY MM DD

Taxation year-end

061 2002/07/10

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☒ 2 No ☐

If yes, provide the date control was acquired

065 2002/07/10

YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? (item 18)**067** 1 Yes ☐ 2 No ☒**Is this the first year of filing after:**

Incorporation? (item 19)

070 1 Yes ☐ 2 No ☒

Amalgamation? (item 20)

071 1 Yes ☐ 2 No ☒

If yes, please provide Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year? (item 21)

If yes, please provide Schedule 24

072 1 Yes ☐ 2 No ☒**Is this the final taxation year before amalgamation?** (item 22)**076** 1 Yes ☐ 2 No ☒**Is this the final return up to dissolution?** (item 23)**078** 1 Yes ☐ 2 No ☒**Is the corporation a resident of Canada?** (item 24)**080** 1 Yes ☒ 2 No ☐ If no, give the country of residence.**081****Is the non-resident corporation claiming an exemption under an income tax treaty?** (item 24)If yes, please provide Schedule 91 ... **082** 1 Yes ☐ 2 No ☒**If the corporation is exempt from tax under section 149 tick one of the following boxes:** (item 25)**085**1 ☐ Exempt under 149(1)(e) or (l)2 ☐ Exempt under 149(1)(j)3 ☐ Exempt under 149(1)(t)4 ☐ Exempt under other paragraphs of section 149**Do not use this area****091****092****093****094****095****096****097**

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules
Schedules - Answer the following questions. For each yes response, attach to the T2 return the schedule that applies.

		Yes	No	Sched
Guide item				
27 Is the corporation related to any other corporations?	150	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28 Does the corporation have any non-resident shareholders?	151	<input type="checkbox"/>	<input checked="" type="checkbox"/>	19
29 Is the corporation an associated Canadian-controlled private corporation?	160	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30 Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161	<input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32 Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11
33 If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	<input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34 Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35 Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15
37 Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38 Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5013
40 Did the corporation, a foreign affiliate controlled by the corporation, or any other corp. or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41 Did the corporation have any foreign affiliates during the year?	169	<input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42 Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170	<input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43 Has the corporation had any non-arm's-length transactions with a non-resident?	171	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47 Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
46 Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	<input checked="" type="checkbox"/>	<input type="checkbox"/>	50
55 Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81 Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2
82,104 Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76 Is the corporation claiming any type of losses?	204	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4
131 Is the corporation claiming provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56 Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
102 (i) Is the corporation claiming the small business deduction and reporting income from: (a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207	<input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57 Does the corporation have any property that is eligible for capital cost allowance?	208	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58 Does the corporation have any property that is eligible capital property?	210	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10
59 Does the corporation have any resource-related deductions?	212	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60 Is the corporation claiming reserves of any kind?	213	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13
61 Is the corporation claiming a patronage dividend deduction?	216	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62 Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an add. deduction?	217	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17
149 Is the corporation an investment corporation or a mutual fund corporation?	218	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
130 Was the corporation carrying on business in Canada while not a Canadian corporation?	220	<input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
117 Is the corporation claiming any federal or provincial foreign tax credits or any federal or provincial logging tax credits?	221	<input type="checkbox"/>	<input checked="" type="checkbox"/>	21
154 Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	<input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
110 Does the corporation have any Canadian manufacturing and processing profits?	227	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27
120 Is the corporation claiming an investment tax credit?	231	<input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63 Is the corporation claiming any scientific research and experimental development expenditures?	232	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T661/T665
123 Is the corporation subject to gross Part 1.3 tax?	233	<input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
123 Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	<input checked="" type="checkbox"/>	<input type="checkbox"/>	36
123 Is the corporation claiming a surtax credit?	237	<input type="checkbox"/>	<input checked="" type="checkbox"/>	37
127 Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	<input type="checkbox"/>	<input checked="" type="checkbox"/>	38
127 Is the corporation claiming a Part I tax credit?	242	<input type="checkbox"/>	<input checked="" type="checkbox"/>	42
128 Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	<input type="checkbox"/>	<input checked="" type="checkbox"/>	43
128 Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	<input type="checkbox"/>	<input checked="" type="checkbox"/>	45
124 Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
127 For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	<input type="checkbox"/>	<input checked="" type="checkbox"/>	39
127 For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40
127 For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252	<input type="checkbox"/>	<input checked="" type="checkbox"/>	41
151 Is the corporation claiming a Canadian film or video production tax credit refund?	253	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131

Attachments - continued from page 2

Guide item

	Yes	No	Sched.
Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*
Is the corporation claiming a film or video production service tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? ..	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48) **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? (item 50) **282** ELECTRICAL ENERGY
(Only complete if yes was entered at line 281.)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)

284 <u>ELECTRICAL ENERGY</u>	285 <u>100.</u>	%
286 _____	287 _____	%
288 _____	289 _____	%

Did the corporation immigrate to Canada during the taxation year? (item 53) **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? (item 54) **292** 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL (item 77) **300** 269,944 A

Deduct: Charitable donations from Schedule 2 (item 78) **311** 500

Gifts to Canada or a province from Schedule 2 (item 79) **312** _____

Cultural gifts from Schedule 2 (item 80) **313** _____

Ecological gifts from Schedule 2 (item 81) **314** _____

Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3 (item 82) **320** _____

Part VI.1 tax deduction from Schedule 43 (item 83) **325** _____

Non-capital losses of preceding taxation years from Schedule 4 (item 84) **331** 269,444

Net-capital losses of preceding taxation years from Schedule 4 (item 85) **332** _____

Restricted farm losses of preceding taxation years from Schedule 4 (item 86) **333** _____

Farm losses of preceding taxation years from Schedule 4 (item 87) **334** _____

Limited partnership losses of preceding taxation years from Schedule 4 (item 88) **335** _____

Taxable capital gains or taxable dividends allocated from a central credit union (item 89) **340** _____

Prospector's and grubstaker's shares (item 90) **350** _____

Subtotal 269,944 ▶ 269,944 B

Subtotal (amount A minus amount B) C

Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) addition (item 91) **355** _____ D

Taxable income (amount C plus amount D) (item 92) **360** _____

Income exempt under paragraph 149(1)(t) (item 93) **370** _____

ble income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94) Z

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2002/07/10
-----------------------------------------------------------	---------------------------------------------	-------------------------------------------

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95)	400	
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax (item 96)		
	405	B
Business limit (for associated corporations, enter business limit from Schedule 23) (item 97)	410	C
Reduction to business limit: (item 98)		
Amount C x 415***	89,312 D	
	11,250	E
Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	F
Small business deduction - 16% of the least of amounts A, B, C, and F	430	G <NIL>

(enter amount G on line 9 on page 7.)

- * Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.
- *** **Large corporation tax for preceding year** - Enter the total gross Part 1.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425)	x 3/2 =	A
Net active business income (amount from line 400) *		B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax		C
Deduct:		
Aggregate investment income (amount from line 440 of page 6)		D
Amount C minus amount D (if negative, enter "0")		
The least of amounts A, B, or E above		F
Amount Z from Part 9 of Schedule 27	x 100/7 =	G
Amount QQ from Part 13 of Schedule 27		H
Resource allowance (amount from line 346 of Schedule 1)	x 3 =	I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		J
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction.		K
Total of amounts G, H, I, J, and K		L
Amount F minus amount L (if negative, enter "0")		M
Amount M x Number of days in the taxation year after December 31, 2000		N
	Number of days in the taxation year	191
Accelerated tax reduction - 7% of amount N		O

- * If the amount at line 450 of Schedule 7 is positive, specified partnerships need to use Schedule 70 to calculate net active business income.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

General tax reduction for Canadian-controlled private corporations (item 100)

Canadian-controlled private corporations throughout the taxation year

Taxable Income from line 360 or amount Z of page 3				A
Amount Z from Part 9 of Schedule 27	x 100/7 =	.....	B	
Amount QQ from Part 13 of Schedule 27 .....		.....	C	
Resource allowance (amount from line 346 of Schedule 1)	x 3 =	.....	D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .....		.....	E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4 .....		.....	F	
Aggregate investment income from line 440 on page 6 .....		.....	G	
Amount used to calculate the accelerated tax reduction (amount M on page 4) .....		.....	H	
Total of amounts B, C, D, E, F, G, and H .....		.....	I	
Amount A minus amount I (if negative, enter "0")				J
Amount J	x	Number of days in the taxation year in 2001	X 1% =	K
		Number of days in the taxation year		191
Amount J	x	Number of days in the taxation year in 2002	X 3% =	L
		Number of days in the taxation year		191
Amount J	x	Number of days in the taxation year in 2003	X 5% =	M
		Number of days in the taxation year		191
Amount J	x	Number of days in the taxation year after 2003	X 7% =	N
		Number of days in the taxation year		191
General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N				O
r amount O on line 638 of page 7)				

General tax reduction (item 101)

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

Taxable Income from line 360 or amount Z of page 3				A
Amount Z from Part 9 of Schedule 27	x 100/7 =	.....	B	
Amount QQ from Part 13 of Schedule 27 .....		.....	C	
Resource allowance (amount from line 346 of Schedule 1)	x 3 =	.....	D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .....		.....	E	
Total of amounts B, C, D, and E .....		.....	F	
Amount A minus amount F (if negative, enter "0")				G
Amount G	x	Number of days in the taxation year in 2001	X 1% =	H
		Number of days in the taxation year		191
Amount G	x	Number of days in the taxation year in 2002	X 3% =	I
		Number of days in the taxation year		191
Amount G	x	Number of days in the taxation year in 2003	X 5% =	J
		Number of days in the taxation year		191
Amount G	x	Number of days in the taxation year after 2003	X 7% =	K
		Number of days in the taxation year		191
General tax reduction - Total of amounts H, I, J and K				L
r amount L on line 639 of page 7)				

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Refundable portion of Part I tax (item 102)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % =
(Amount O from Part 1 of Schedule 7) (if negative, enter "0") **B**

Amount A minus amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 .

Foreign non-business income tax

credit from line 632 on page 7 X 25/9

Foreign business income tax

credit from line 636 on page 7 X 10/4

..... X 26 2/3 % = **D**

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

Deduct corporate surtax from line 600 of page 7 **E**

Net Amount **E**

Refundable portion of Part I tax - The least of amounts C, D, and E **450** **<NIL>**

Refundable dividend tax on hand (item 103)

Refundable dividend tax on hand at the end of the preceding taxation year **460**
Deduct dividend refund for the previous taxation year **465**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation **480** **B**

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B **485** **<NIL>**

Dividend refund (item 104)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **A**

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

Dividend refund - Lesser of amounts of A and B (enter this amount on line 784 of page 8)

Part I tax

Amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 105) **550** **A**

Corporate surtax calculation (item 106)

Base amount from line A above **1**

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 **2**

Investment corporation deduction from line 620 below **3**

Federal logging tax credit from line 640 below **4**

Federal qualifying environmental trust tax credit from line 648 below **5**

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:

28% of taxable income from line 360 on page 3 **a**

28% of taxed capital gains **b**

Part I tax otherwise payable **6**

(line A plus lines C and D minus line F)

Total of lines 2 to 6 **7**

Net amount (line 1 minus line 7) **8**

Corporate surtax - 4% of the amount on line 8 **600** **<NIL>** **B**

Recapture of Investment tax credit from line XX in Part 16 on page 8 of Schedule 31 (item 107) **602** **C**

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year) (item 108)

Aggregate investment income from line 440 on page 6 **i**

Taxable income from line 360 on page 3 **ii**

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 **ii**

Net amount **ii**

Refundable tax on CCPC's Investment income - 6 2/3 % of the lesser of amounts i or ii **604** **D**

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

Deduct:

Small business deduction from line 430 of page 4 **9**

Federal tax abatement (item 109) **608**

Manufacturing and processing profits deduction

from amount BB or amount VV of Schedule 27 (item 110) **616**

Investment corporation deduction (item 111) **620**

(taxed capital gains **624**)

Additional deduction - credit unions from Schedule 17 (item 112) **628**

Federal foreign non-business income tax credit from Schedule 21 (item 113) **632**

Federal foreign business income tax credit from Schedule 21 (item 114) **636**

Accelerated tax reduction from amount O of page 4 (item 115) **637**

General tax reduction for CCPCs from amount M of page 5 (item 116) **638**

General tax reduction from amount J of page 5 (item 116) **639**

Federal logging tax credit from Schedule 21 (item 117) **640**

Federal political contribution tax credit (item 118) **644**

Federal political contributions **646**

Federal qualifying environmental trust tax credit (item 119) **648**

Investment tax credit from Schedule 31 (item 120) **652**

Subtotal **F**

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 121) **<NIL>** **G**

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 122)	700	
Part I.3 tax payable from Schedule 33, 34 or 35 (item 123)	704	47,051
Part II surtax payable from Schedule 46 (item 124)	708	
Part IV tax payable from Schedule 3 (item 125)	712	
Part IV.1 tax payable from Schedule 43 (item 126)	716	
Part VI tax payable from Schedule 38 (item 127)	720	
Part VI.1 tax payable from Schedule 43 (item 128)	724	
Part XIII.1 tax payable from Schedule 92 (item 129)	727	
Part XIV tax payable from Schedule 20 (item 130)	728	
Total federal tax		47,051

Add provincial and territorial tax:

 Provincial or territorial jurisdiction (item 131) **750 Ontario**

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

 Net provincial and territorial tax payable (except Que., Ont. and Alberta) (item 132) **760**

 Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 146) **765**

Total tax payable	770	47,051	A
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Deduct other credits:

Investment tax credit refund from Schedule 31 (item 147)	780	
Dividend refund from page 6 (item 148)	784	
Federal capital gains refund from Schedule 18 (item 149)	788	
Federal qualifying environmental trust tax credit refund (item 150)	792	
Canadian film or video production tax credit refund from Form T1131 (item 151)	796	
Film or video production services tax credit refund from Form T1177 (item 152)	797	
Tax withheld at source (item 153)	800	
Total payments on which tax has been withheld (item 153)	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26 (item 154)	804	
Provincial and territorial capital gains refund from Schedule 18 (item 155)	808	
Provincial and territorial refundable tax credits from Schedule 5 (item 156)	812	
Royalties deduc. under Syncrude Remis. Order (item 157)	815	
Tax remitted under Syncrude Remission Order (item 157)	816	
Tax instalments paid (item 158)	840	168,610
Total credits	890	168,610
Balance (line A minus line B)		-121,559

Refund code (item 159) 894	Overpayment (item 162) 121,559	
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Direct Deposit Request (item 163)

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

<input type="checkbox"/> Start	<input type="checkbox"/> Change information	910
		Branch number
914	918	
Institution number	Account number	

If the result is negative, you have an **overpayment**.
 If the result is positive, you have a **balance unpaid**.
 Enter the amount on whichever line applies.
 We do not charge or refund a difference of less than \$2.

Balance unpaid (item 162)

Enclosed payment (item 161)	898
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If the corporation is a Canadian-controlled private corporation throughout the taxation year does it qualify for the one month extension of the date the balance of tax is due? (item 160). ... **896**

1 Yes ☐ 2 No ☒

Certification (item 164)

I, 950 CURTIS <small>Last name in block letters</small>	951 TIM <small>First name in block letters</small>	954 CHIEF FINANCIAL OFFI <small>Position, office, or rank</small>
-------------------------------------------------------------------	--------------------------------------------------------------	-----------------------------------------------------------------------------

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 31/12/2002
Date (dd/mm/yyyy)

Signature of an authorized signing officer of the corporation

956 (905) 871-0330
Telephone number

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

958 HARRY CLUTTERBUCK

Name in block letters

959 (905) 871-0330
Telephone number

Language of correspondence - Langue de correspondance (item 165)

990 Please indicate the language of your choice.

Indiquer la langue de correspondance de votre choix.

1 English/Anglais ☒ 2 Francais/French ☐

No longer required by the CCRA. Submit the RSI forms only

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
VADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

Net income (loss) after taxes and extraordinary items per financial statements 301,576 A

Add:

Provision for income taxes - current	101	304,533
Provision for income taxes - deferred	102	-85,887
Interest and penalties on taxes	103	
Amortization of tangible assets	104	1,180,573
Amortization of natural resource assets	105	
Amortization of intangible assets	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes - joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations from Schedule 2	112	250
Taxable capital gains from Schedule 6	113	
Political donations	114	
Holdbacks	115	
Deferred and prepaid expenses	116	
Depreciation in inventory - end of year	117	
Scientific research expenditures deducted per financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expenses	121	6,217
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves deducted in prior year from Schedule 13	125	185,505
Reserves from financial statements - balance at the end of the year	126	416,244
Soft costs on construction and renovation of buildings	127	
Total of fields 201 to 294 on page 2	199	45,730

Total of fields 101 to 199

500 2,053,165 ► 2,053,165

Deduct:

Gain on disposal of assets per financial statements	401	1,196
Dividends not taxable under section 83 from Schedule 3	402	
Capital cost allowance from Schedule 8	403	1,269,424
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	1,631
Allowable business investment loss - Schedule 6	406	
Foreign non-business tax deduction under subsection 20(12)	407	
Holdbacks	408	
Deferred and prepaid expenses	409	
Depreciation in inventory - end of prior year	410	
Scientific research expenses claimed in year from Form T661	411	
Tax reserves claimed in current year from Schedule 13	413	176,606
Reserves from financial statements - balance at the beginning of the year	414	326,491
Patronage dividends from Schedule 16	416	
Contributions to deferred income plans from Schedule 15	417	
Total of fields 300 to 394 on page 3	499	309,449

Total of fields 401 to 499

510 2,084,797 ► 2,084,797

Income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return 269,944

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year ..	238	
Other additions:		
600 <u>LARGE CORP TAX DEDUCTED FOR ACCOUNTING</u>	290	44,730
601 <u>ONTARIO SPECIFIED TAX CREDITS</u>	291	1,000
602	292	
603	293	
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		<u>45,730</u>

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700 CAPITALIZED INTEREST DURING CONSTRUCTION	390	19,996
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	289,453
702	392	
703	393	
704	394	

Total of fields 300 to 394 (enter this amount at line 499 on page 1) 309,449

CHARITABLE DONATIONS AND GIFTS
(1998 and later taxation years)

SCHEDULE 2

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	1

- For use by corporations to claim any of the following:
 - Charitable donations;
 - Gifts to Canada or a province (see reverse);
 - Gifts of certified cultural property (see reverse); or
 - Gifts of certified ecologically sensitive land (see reverse).
- The donations and gifts are eligible for a five year carry-forward.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the *federal Income Tax Act*.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Charitable donations

Charitable donations at end of preceding taxation year	250	A
Deduct: Donations expired after 5 taxation years	239	
Charitable donations at beginning of taxation year	250	
Add:		
Donations transferred on amalgamation or wind-up of subsidiary	250	B
Total current year charitable donations made	210	C
	250	
Subtotal: Amount B plus amount C	250	D
Total donations available	500	E
Deduct: Amount applied against taxable income: (enter amount from line S)	260	F
Charitable donations closing balance	280	G

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * multiplied by 75%	202,458	H
Taxable capital gains arising in respect of gifts of capital property	225	I
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227	J
Add the lesser of:		
1) The amount of the recapture of capital cost allowance in respect of charitable gifts	230	K
2) The lesser of:		
i) Proceeds of dispositions less outlays and expenses	L	
ii) The capital cost	M	
The lesser of amounts L and M	235	N
The lesser of amounts K and N		O
Subtotal: Amount I plus amount J plus amount O		P
Amount P multiplied by 25%		Q
Maximum deduction allowable: (amount H plus amount Q)	202,458	R
Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes)	500	S

(Enter amount S on line 311 on page 3 of the T2 return)

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

Part 3 - Gifts to Canada or province

to Canada or a province at the end of the preceding taxation year	
Deduct: Gifts to Canada or a province expired after 5 taxation years	339
Gifts to Canada or a province at the beginning of the taxation year	340
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350
Total current year gifts made to Canada or a province *	310
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 312 on page 3 of the T2 return)	360
Gifts to Canada or a province closing balance	380

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	
Deduct: Gifts of certified cultural property expired after 5 taxation years	439
Gifts of certified cultural property at the beginning of the taxation year	440
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450
Total current year gifts of certified cultural property	410
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 313 on page 3 of the T2 return)	460
Gifts of certified cultural property closing balance	480

Part 5 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550
Total current year gifts of certified ecologically sensitive land	510
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 314 on page 3 of the T2 return)	560
Gifts of certified ecologically sensitive land closing balance	580

Part 6 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Canada or a province	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1998/07/10				
1999/07/10				
2000/07/10				
2001/07/10				
2002/07/10				

Totals

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Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

Part 7 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997				<NIL>	
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001	250		250		<NIL>
10/07/2002		250	250		<NIL>
Total	250	250	500		<NIL>

Part 8 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>

Part 9 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>

Part 10 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>



Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2002/07/10	Year 2002	Month 07	Day 10
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- For use by a corporation to determine the continuity and use of available losses; to determine the current year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carry-back to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For detailed description and calculation of these losses, see IT-232, *Losses-Deductibility in the Loss Year or in Other Years*. For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax center where the return is filed.
- Parts, sections, subsections and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 - Non-Capital Losses**Determination of current year non-capital loss**

Net income (loss) for income tax purposes		\$	<u>269,944</u>
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares-Paragraph 110(1)(d.2)			
	Subtotal - if positive, enter "0"		
Deduct: (increase a loss)			
Section 110.5 - Addition for foreign tax deductions			
	Subtotal		
Add: (decrease a loss)			
Current year farm loss			
Current year non-capital loss (if positive, enter "0")		\$	

Continuity of non-capital losses and request for carry-back

Non-capital loss at the end of preceding taxation year	\$	<u>615,651</u>
Deduct:		
Non-capital loss expired after seven taxation years	100	
Non-capital losses at the beginning of taxation year	102	<u>615,651</u>
Add:		
Non-capital losses transferred on amalgamation or wind-up of subsidiary	105	
Current year non-capital loss (from calculation above)	110	\$ <u>615,651</u>
Deduct:		
Amount applied against taxable income (enter on line 331 of the T2 return)	130	<u>269,444</u>
Amount applied against taxable dividends subject to Part IV tax	135	
Section 80 Adjustments for forgiven amounts	140	
Other adjustments	150	<u>269,444</u>
	Subtotal	<u>346,207</u>
Deduct - Request to carry back non-capital loss to:		
First preceding taxation year to reduce taxable income	901	
Second preceding taxation year to reduce taxable income	902	
Third preceding taxation year to reduce taxable income	903	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	912	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	
Non-capital losses - Closing balance (if negative, enter zero)	180	\$ <u>346,207</u>

Election under paragraph 88(1.1)(f)Paragraph 88(1.1)(f) election indicator 190 Yes ☐

Loss from a wholly-owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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Part 2 - Capital Losses

Continuity of capital losses and request for carry-back

Capital losses at end of preceding taxation year	200	\$	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205		
Current year capital loss (from Schedule 6 calculation)	210		\$
Add:			
Allowable business investment loss expired as non-capital loss		\$	x 4/3
	220		
		Subtotal	
Deduct:			
Amount applied against current year capital gain	225		
Section 80 adjustment for forgiven amounts	240		
Other adjustments	250		
		Subtotal	
Deduct - Request to carry back capital loss to: (see note 2)			
First preceding taxation year	951		
Second preceding taxation year	952		
Third preceding taxation year	953		
Capital losses - closing balance	280	\$	

Note 1: On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2: Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm Losses

Continuity of farm losses and request for carry-back

Farm losses at end of preceding taxation year		\$	
Deduct:			
Farm loss expired after ten taxation years	300		
Farm losses at beginning of taxation year	302		
Farm losses transfer on amalgamation or wind-up of subsidiary	305		
Current year farm loss	310		\$
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 adjustment for forgiven amounts	340		
Other adjustments	350		
		Subtotal	
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - closing balance	380	\$	

Part 4 - Restricted Farm Losses

Current year restricted farm loss

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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Part 4 - Restricted Farm Losses (continued)

Continuity of restricted farm losses and request for carry-back

Restricted farm losses at end of preceding taxation year	\$	
Deduct: Restricted farm loss expired after ten taxation years	400	
Restricted farm losses at beginning of taxation year	402	
Add:		
Restricted farm losses transferred on amalgamation or wind-up of subsidiary	405	
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	\$
Deduct:		
Amount applied against farming income (enter on line 333 of the T2 return)	430	
Section 80 Adjustments for forgiven amounts	440	
Other adjustments	450	
	Subtotal	
Deduct - Request to carry back restricted farm loss to:		
First preceding taxation year to reduce farming income	941	
Second preceding taxation year to reduce farming income	942	
Third preceding taxation year to reduce farming income	943	
Restricted farm losses - closing balance	480	\$

Note: The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed Personal Property Losses

Continuity of listed personal property loss and request for carry-back

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

Part 6 - Analysis of Balance of Losses by Year of Origin

Year of origin	Non-capital losses \$	Farm losses \$	Restricted farm losses \$	Listed personal property losses \$
2002/07/10				
2001/07/10	223,925			
2000/07/10	36,894			
1999/07/10	85,388			
1998/07/10				
1997/07/10				
1996/07/10				
1995/07/10				
1994/07/10				
1993/07/10				
Total	346,207			

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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Part 7 - Limited Partnership Losses

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

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending YYYY/MM/DD	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Total of corporation's share of partnership investment tax credit, business or property losses and resource expenses	Columns 4 - 5 If negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 650
630	632	634	636	638		
1.						
2.						
3.						
4.						
5.						

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Limited partnership losses at end of preceding taxation year	Limited partnership losses transfer on amalgamation or wind-up of subsidiary	Current year limited partnership losses (from column 620)	Limited partnership losses applied (cannot exceed column 650)	Limited partnership losses closing balance (662+664+670-675) 680
660	662	664	670	675	
1.					
2.					
3.					
4.					
5.					
Total (enter this amount on line 335 of the T2 return)					

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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Continuity of Losses Carried Forward

SCHEDULE 4 - Federal Supplement

Capital losses - gross amount

Balance - beginning of year

Losses carried forward from previous years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
10/07/1992					
10/07/1993					
10/07/1994					
10/07/1995					
10/07/1996					
10/07/1997					
10/07/1998					
31/12/1999	354,832				
31/12/2000	36,894				
31/12/2001	223,925				
Total	615,651	<NIL>	<NIL>	<NIL>	<NIL>

Continuity of losses

	Non-Capital Losses	Capital losses (gross amount)	Farm Losses	Restricted Farm Losses	Listed Property
Balance - beginning of year	615,651				
Additions:					
Current year losses					
Losses from pred. companies					
Sub-Total	615,651				
Less: Utilized during year					
- to reduce taxable income	269,444				
- to reduce part IV tax					
Expired during the year					
Less: Carried back					
- to reduce taxable income					
- to reduce part IV tax					
Sub-Total	269,444				
Balance - end of year	346,207	<NIL>	<NIL>	<NIL>	<NIL>

Losses carried forward to future years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
10/07/1993					
10/07/1994					
10/07/1995					
10/07/1996					
10/07/1997					
10/07/1998					
31/12/1999	85,388				
31/12/2000	36,894				
31/12/2001	223,925				
10/07/2002					
Total	346,207	<NIL>	<NIL>	<NIL>	<NIL>



CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

(1998 and later taxation years)

of Corporation NIAGARAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2002/07/10
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For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 or column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9, or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		36,135,961	303,203			36,439,164	151,602	36,287,562	4.0	759,571	35,679,593
2		3,214,565				3,214,565		3,214,565	6.0	100,931	3,113,634
8		679,001	178,383			857,384	89,192	768,192	20.0	80,399	776,985
10		1,437,372	54,051		8,556	1,482,867	22,748	1,460,119	30.0	229,224	1,253,643
12		177,488	24,535			202,023	12,267	189,756	100.	99,299	102,724
Total		41,644,387	560,172		8,556	42,196,003	275,809	41,920,194		1,269,424	40,926,579

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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



**CAPITAL COST ALLOWANCE (CCA)
(1998 and later taxation years)**

SCHEDULE 8SUM - Federal

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐

2 No ☒

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	41644.387	560.172		8.556	42196.003	275.809	41920.194
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			1.269.424	40926.579			
10.1							
13							
14							
Total			1.269.424				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture		(Schedule 1 Line 107)
Terminal loss		(Schedule 1 Line 404)
CCA Claimed	1.269.424	(Schedule 1 Line 403)



RELATED AND ASSOCIATED CORPORATIONS
(1998 and later taxation years)

SCHEDULE 9

Name of Corporation	Business Number	Taxation Year End	Year Month Day
NADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

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

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

Name 100	Country of residence (other than Canada) 200	Business number (Note 1) 300	Relationship code (Note 2) 400	No. of common shares owned 500	% of common shares owned 550	Number of pfd shares owned 600	% of pfd shares owned 650	Book value of capital stock 700
CANADIAN NIAGARA POW	CA	100768985	1	1	100.			1
1161557 ONTARIO LIMI	CA	893291740	3					1
For a complete list	CA	100768985	3					1
refer to Schedule 9	CA	100768985	3					1
of Fortis Inc.	CA	100768985	3					1
(101852416)	CA	100768985	3					1

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.



CUMULATIVE ELIGIBLE CAPITAL DEDUCTION
(2000 and later taxation years)

SCHEDULE 10

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
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- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

PART 1 - CALCULATION OF CURRENT YEAR DEDUCTION AND CARRY-FORWARD

Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter "0").	200	44,514	A
Add:			
Cost of eligible capital property acquired during the taxation year.	222		B
Amount transferred on amalgamation or wind-up of subsidiary.	224		C
Other adjustments	226		D
(Add amounts B, C, and D)		x 3/4 =	E
Subtotal (amount A plus amount E)	230	44,514	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(Add amounts G, H, and I)		x 3/4 =	J
Cumulative eligible capital balance (amount F minus amount J)		44,514	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)			
Current year deduction	amount K	44,514	x 7% = 250 1,631 L
(deduct amount L at line 405 of Schedule 1)			
Cumulative eligible capital - closing balance	300	42,883	M
(amount K minus amount L) (if negative, enter "0")			

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

PART 2 - AMOUNT TO BE INCLUDED IN INCOME ARISING FROM DISPOSITION

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

Amount from line K above (show as a positive amount)		N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	400	1
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7)	401	2
Total of cumulative eligible capital deductions claimed for taxation years commencing before July 1, 1988	402	3
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	408	4
Line 3 minus line 4		5
Total of line 1, 2, and 5		6
Line T from Schedule 10 of previous taxation years ending after February 27, 2000	409	7
Line 6 minus line 7		O
Line N minus line O (cannot be negative)		P
Amount on line 5 x 1/2		Q
Line P minus line Q		R
Amount on line R x 2/3 *		S
Lesser of line N or line O		T
Amount to be included in income on line 108 of Schedule 1, line S plus line T	410	

* For taxation years ending after February 27, 2000 and before October 18, 2000, use the fraction 8/9 to calculate line S.
For taxation years ending before February 28, 2000, no reduction can be claimed, use the fraction 1/1 to calculate line S.



CONTINUITY OF RESERVES
(1998 and later taxation years)

SCHEDULE 13

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 185,505	8,899		135	140 176,606
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 185,505	8,899	<NIL>	275 <NIL>	280 176,606

Amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.



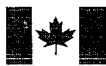
MISCELLANEOUS PAYMENTS TO RESIDENTS
(1998 and later taxation years)

SCHEDULE 14

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	CNP CO LTD	1130 BERTIE STREET FORT ERIE ON L2A5Y2			196,500		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

**PART 1.3 TAX ON LARGE CORPORATIONS**
(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part 1.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part 1.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part 1.3 tax is payable for a taxation year by a corporation that was:
 - 1) a non-resident - owned investment corporation throughout the year;
 - 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* within six months from the end of the taxation year.

Filing date (for departmental use only)

100

Year	Month	Day

Complete the following areas to determine the amounts needed to calculate Part 1.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital**Add** the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I ..	101	2,412,229
Capital stock (or members' contributions if incorporated without share capital)	103	21,400,000
Retained earnings	104	1,109,363
Contributed surplus	105	
Any other surpluses	106	
Deferred unrealized foreign exchange gains	107	
All loans and advances to the corporation	108	202,834
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	24,820,811
Any dividends declared but not paid by the corporation before the end of the year	110	
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year ...	111	
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	
Subtotal		49,945,237

▶ 49,945,237 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	
Any deficit deducted in computing the shareholders' equity	122	
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	
The amount of deferred unrealized foreign exchange losses	124	
Subtotal		

▶ B

Capital for the year (amount A minus amount B) (if negative, enter "0") 190 49,945,237**Note:** Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401
A loan or advance to another corporation (other than a financial institution)	402
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403
Long-term debt of a financial institution	404
A dividend receivable on a share of the capital stock of another corporation	405
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (otherwise than by reason of paragraph 181.1(3)(d))	406
An interest in a partnership	407
Investment allowance for the year	490

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)	49,945,237	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 49,945,237	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500) 49,945,237	x	Taxable income earned in Canada 610	1,000	=	Taxable capital employed in Canada 690 49,945,237
		Taxable income	1,000		

- Notes:**
- 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - 2) Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - 3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada

701

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada

711

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada ...

712

Total amount of carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada

713

Total deductions (add lines 711, 712, and 713)



E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")

790

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 6 - Calculation of gross Part 1.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)	49,945,237	
Less: Capital deduction claimed for the year (enter \$10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801 9,983,125	
Excess of taxable capital employed in Canada over capital deduction	811 39,962,112	
Gross Part 1.3 tax: Line 811	39,962,112	x .00225 = 89,915 F
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:		
Amount F	89,915	x Number of days in the year (191) = 47,051 G
	365	
Gross Part 1.3 tax (amount F or G, whichever applies)	820 47,051	

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part 1.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return			
b) line 700 plus line 660 from the T2 return			H
In any other case, the lesser of c and d below:			
c) line 600 from the T2 return	x	line 690 of this schedule 49,945,237	
		line 500 of this schedule 49,945,237	=
d) line 700 plus line 660 from the T2 return			I
Current year surtax credit (amount H or I, whichever applies)		830	

Part 8 - Calculation of Part 1.3 tax credit available for carry-forward

Amount on line 830		
Less: Part 1.3 tax before deducting surtax credits (line 820)	47,051	J
Net amount	-47,051	K
If the amount on line K is <i>positive</i> , it represents the amount of Part 1.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part 1.3 tax credit balance		
		L
Note: The portion of amount K carried forward should be entered at line 660 of the T2 return.		
If the amount K is <i>negative</i> , it represents the amount of unused surtax credit of other years, that may be applied to reduce Part 1.3 tax payable in the current year		
	47,051	M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		
Less: Part 1.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		
Current year unused surtax credit (enter this amount on Schedule 37)	850	

Part 10 - Calculation of net Part 1.3 tax payable

Gross Part 1.3 tax (line 820)	47,051	N
Deduct the following amounts:		
Current year surtax credit applied (the lesser of lines 820 and 830)	861	
Unused surtax credit from prior years applied	862	
Total (cannot exceed amount on line 820)		O
Part 1.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	870 47,051	

AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX
(1998 and later taxation years)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/07/10
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000 among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>		
Enter the calendar year to which the agreement applies	030	Year 2002		
<p>Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.</p>				
Names of all corporations which are members of the related group 200	Business Number (if a corporation is not registered, enter 'NR') 300	Allocation of capital deduction for the year \$ 400	Taxation year to which this agreement applies* (YYYY/MM/DD) 500	
1. CANADIAN NIAGARA POWER INC.	872498225	9,983,125	2002/07/10	
2. 1161557 ONTARIO LIMITED	893291740	16,875	2002/07/10	
3. CANADIAN NIAGARA POWER COMPANY, LIMITED	100768985		2002/07/10	
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
Total (not to exceed \$10,000,000)		10,000,000		

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.



SHAREHOLDER INFORMATION
(1998 and later taxation years)

SCHEDULE 50

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

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

Name of shareholder 100	Business number 200	Social insurance number 300	Percentage common shares 400	Percentage preferred shares 500
CANADIAN NIAGARA POWER COMPANY LIMITED	100768985		100.0	



SCHEDULE OF INSTALMENT REMITTANCES

- For use by corporations which have remitted instalment payments for the taxation year of the return being filed.
- The use of this schedule will assist the department in processing your return.
- Use the statements of account balance (form T9 part 2) received from the department to prepare this schedule.

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0001		Taxation Year End	Year Month Day 2002/07/10
Name of corporation contact (for department enquiries) HARRY CLUTTERBUCK				Telephone Number (905) 871-0330	
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)	Amount of Credit			
	INSTALLMENTS	3,610			
	INSTALLMENT	165,000			
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)		(A)	168,610		
Total instalments credited to the taxation year, per last T9 statement of account balance		(B)			

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective interest date of the transfer will be the date of assessment.

CANADIAN NIAGARA POWER INC.
SCHEDULE 33 - SUPPORTING SCHEDULES
July 10, 2002

LINE 101 - RESERVES

ACCRUED RETIREMENT BENEFIT LIABILITY	2,041,901
FUTURE INCOME TAXES	<u>370,328</u>
	2,412,229

LINE 108 - ALL LOANS AND ADVANCES

A/P > 365 DAYS	26,228
CUSTOMER DEPOSITS	<u>176,606</u>
	202,834

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 1 of 3

ets

Current assets

Trade accounts receivable	1062	4,788,165
Allowance for doubtful trade accounts receivable	1063	27,210
Inventory parts and supplies	1122	434,826
Prepaid expenses	1484	-123,148
Total current assets	1599	5,072,633

Capital assets

Other machinery and equipment	1785	67,429,028
Accumulated amortization of other machinery and equipment	1786	18,919,631
Total tangible capital assets	2008	67,429,028
Total accumulated amortization of tangible capital assets	2009	18,919,631

Intangible Capital Assets

Total intangible capital assets	2178	
Total accumulated amortization of intangible capital assets	2179	

Long Term Assets

Deferred pension charges	2422	1,802,264
Total long term assets	2589	1,802,264

Assets held in trust	2590	
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Total assets *	2599	55,384,294
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Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 2 c

Liabilities

Current liabilities

Bank overdraft	2600	2,476,548
Trade payables	2621	1,010,697
Taxes payable	2680	771,341
Total current liabilities	3139	4,258,586

Long term liabilities

Deferred income taxes	3240	370,328
Due to corporate shareholder(s)	3262	24,820,811
Long term obligations / commitments / capital leases	3321	2,041,901
General provisions / reserves	3325	1,383,303
Total long term liabilities	3450	28,616,343

Total liabilities *	3499	32,874,929
----------------------------------	-------------	-------------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002/07/10

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 3 of 3

Shareholder Equity

Common shares	3500	<u>21,400,000</u>
Retained earnings / deficit (from Line 3849)	3600	<u>1,109,365</u>

Total shareholder equity *	3620	<u>22,509,365</u>
-----------------------------------------	-------------	-------------------

* Mandatory field

Retained Earnings Information

Retained earnings / deficit

Retained earnings / deficit - start	3660	<u>807,786</u>
Net income / loss	3680	<u>301,579</u>
Retained earnings / deficit - end (enter this amount at Line 3600)	3849	<u>1,109,365</u>

Total liabilities and shareholder equity	3640	<u>55,384,294</u>
-------------------------------------------------------	-------------	-------------------

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

**General Index of Financial Information (GIFI)
Income Statement Information**

T2 SCH 12^F

Page 1 of 7

0001 Operating name - Required if different from corporation's legal name

CANADIAN NIAGARA POWER INC.

0002 Description of the operation - Required if filing more than one GIFI 125 and the operation is different from the main activity

ELECTRICAL ENERGY DISTRIBUTION

0003 Sequence Number

1

Revenue

Trade sales of goods and services 8000 14,725,905

Total sales of goods and services 8089 14,725,905

Realized gains / losses on disposal of assets 8210 1,196

Other Revenue

Total revenue *	8299	<u>14,727,101</u>
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* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 2 of 7

Cost of sales

Purchases / cost of materials	8320	<u>7,903,080</u>
Other direct costs	8450	<u>4,230,774</u>
Cost of sales	8518	<u>12,133,854</u>
 Gross profit / loss	 8519	 <u>2,592,051</u>

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	07	10

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 3 c

Operating expenses

Promotion	8524	3,954
Amortization of tangible assets	8670	1,180,573
Interest paid on deposits	8741	765,113
Consulting fees	8863	96,354
Travel expenses	9200	27,028
Total operating expenses	9367	2,073,022

Total expenses *	9368	14,206,876
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* Mandatory field

Net non-farming income	9369	520,225
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GIFI
SCHEDULE 141 - NOTES

Page 1 of 1

Notes Checklist

Involvement of accountant

0100 who reported on/prepared the corporation's financial statements?

Choose only one of the following:

- ☒ **1** an independent auditor with a report that expressed no reservation
☐ **2** an independent auditor with a report that expressed a reservation
☐ **3** an independent accountant with a review engagement report that expressed no reservation
☐ **4** an independent accountant with a review engagement report that expressed a reservation
☐ **5** an independent accountant who conducted a compilation engagement with no review
☐ **6** an independent accountant with a compilation engagement and review engagement resulting in no reservation
☐ **7** an independent accountant with a compilation engagement and review engagement resulting in a reservation
☐ **8** prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant

Other information

- 0101** Were notes to the financial statements prepared? Yes
0102 Are any values presented at other than cost? No
0103 Has there been a change in accounting policies since the last return? No
0104 Are subsequent events mentioned in the notes? No
0105 Is re-evaluation of asset information mentioned in the notes? No
0106 Is contingent liability information mentioned in the notes? No
0107 Is information regarding commitments mentioned in the notes? No
0108 Does the corporation have investments in joint venture(s) or partnership(s)? No
0109 If yes, are you filing financial statements of the joint venture(s) or partnership(s)? No

2002 CNPI T2 FEDERAL TAX RETURN (JULY – DECEMBER)

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

Sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and *General Index of Financial Information (GIFI)* to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) (item 11) 001 872498225 R C 0001

002 Corporation's name (item 12)

CANADIAN NIAGARA POWER INC.

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☐ 2 No ☒If yes, do you have a copy of the articles of amendment? 004 1 Yes ☐ 2 No ☐

Address of head office (item 13)

Has the address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

011 1130 BERTIE STREET

012

City Province, territory or state
015 FORT ERIE 016 ONCountry (other than Canada) Postal code / ZIP code
017 CA 018 L2A5Y2

Mailing address (If different from head office address) (item 14)

Has the address changed since the last time we were notified?

1 Yes ☐ 2 No ☒

021 c/o

022

023

City Province, territory or state
025 026Country (other than Canada) Postal code / ZIP code
027 028

Location of books and records (item 15)

031 1130 BERTIE STREET

032

City Province, territory or state
035 FORT ERIE 036 ONCountry (other than Canada) Postal code / ZIP code
037 CA 038 L2A5Y2

040 Type of corporation at the end of the taxation year (item 16)

1 ☐ Canadian-controlled private corporation (CCPC) 4 ☒ Corporation controlled by a public corporation2 ☐ Other private corporation 5 ☐ Other corporation (please specify, below)3 ☐ Public corporation Controlled by public

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

043 2002/07/11
YYYY MM DD

To which taxation year does this return apply? (item 17)

Taxation year start

060 2002/07/11

YYYY MM DD

Taxation year-end

061 2002/12/31

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year?

063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired

065
YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? (item 18)

067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? (item 19) 070 1 Yes ☐ 2 No ☒Amalgamation? (item 20) 071 1 Yes ☐ 2 No ☒

If yes, please provide Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year? (item 21)

If yes, please provide Schedule 24 072 1 Yes ☐ 2 No ☒Is this the final taxation year before amalgamation? (item 22) 076 1 Yes ☐ 2 No ☒Is this the final return up to dissolution? (item 23) 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada? (item 24)

080 1 Yes ☒ 2 No ☐ If no, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24)

If yes, please provide Schedule 91 . . . 082 1 Yes ☐ 2 No ☒

If the corporation is exempt from tax under section 149 tick one of the following boxes: (item 25)

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

Do not use this area

091	092	093
094	095	096
097		

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each yes response, attach to the T2 return the schedule that applies.

		Yes	No	Schedule
27	Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28	Does the corporation have any non-resident shareholders?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	19
29	Is the corporation an associated Canadian-controlled private corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corp. or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41	Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
40	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76	Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4
131	Is the corporation claiming provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
102	(i) Is the corporation claiming the small business deduction and reporting income from:(a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57	Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58	Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10
59	Does the corporation have any resource-related deductions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60	Is the corporation claiming reserves of any kind?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13
61	Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an add. deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17
149	Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
117	Is the corporation claiming any federal or provincial foreign tax credits or any federal or provincial logging tax credits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
110	Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27
120	Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T661/T665
123	Is the corporation subject to gross Part 1.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	36
123	Is the corporation claiming a surtax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	38
127	Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	42
128	Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131

Attachments - continued from page 2

Guide item	Yes	No	Sched.
1 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*
32 Is the corporation claiming a film or video production service tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
-- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
-- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? ..	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
-- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information			
Is the corporation inactive? (item 48)	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's major business activity? (item 50)	282	<u>ELECTRICAL ENERGY</u>	
(Only complete if yes was entered at line 281.)			
If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51)	283	1 Wholesale <input type="checkbox"/>	2 Retail <input type="checkbox"/>
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)	284	<u>ELECTRICAL ENERGY</u>	
	286		287 <u>100.</u> %
	288		289 _____ %
the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

Taxable income			
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI (item 77)	300	<u>-342,370</u>	A
Deduct: Charitable donations from Schedule 2 (item 78)	311		
Gifts to Canada or a province from Schedule 2 (item 79)	312		
Cultural gifts from Schedule 2 (item 80)	313		
Ecological gifts from Schedule 2 (item 81)	314		
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3 (item 82)	320		
Part VI.1 tax deduction from Schedule 43 (item 83)	325		
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331		
Net-capital losses of preceding taxation years from Schedule 4 (item 85)	332		
Restricted farm losses of preceding taxation years from Schedule 4 (item 86)	333		
Farm losses of preceding taxation years from Schedule 4 (item 87)	334		
Limited partnership losses of preceding taxation years from Schedule 4 (item 88) ..	335		
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340		
Prospector's and grubstaker's shares (item 90)	350		
Subtotal			B
Subtotal (amount A minus amount B)			C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) addition (item 91)	355		D
Taxable income (amount C plus amount D) (item 92)	360		
Income exempt under paragraph 149(1)(t) (item 93)	370		
able income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)			Z

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95) 400 A

Taxable income from line 360 or amount Z on page 3, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law is exempt from Part I tax (item 96) 405 B

Business limit (for associated corporations, enter business limit from Schedule 23) (item 97) 410 C

Reduction to business limit: (item 98)

Amount C x 415 *** 47,051 D = 11,250 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") 425 F

Small business deduction - 16% of the least of amounts A, B, C, and F 430 <NIL> G

(enter amount G on line 9 on page 7.)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** **Large corporation tax for preceding year** - Enter the total gross Part 1.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425) x 3/2 = A

Net active business income (amount from line 400) * B

Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax C

Deduct:

Aggregate investment income (amount from line 440 of page 6) D

Amount C minus amount D (if negative, enter "0") E

The least of amounts A, B, or E above F

Amount Z from Part 9 of Schedule 27 x 100/7 = G

Amount QQ from Part 13 of Schedule 27 H

Resource allowance (amount from line 346 of Schedule 1) x 3 = I

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

Least of amounts on lines 400, 405, 410, and 425 of the small business deduction K

Total of amounts G, H, I, J, and K L

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

Amount M x Number of days in the taxation year after December 31, 2000 = N

Number of days in the taxation year 174

Accelerated tax reduction - 7% of amount N O

(enter amount O on line 637 on page 7)

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

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

General tax reduction for Canadian-controlled private corporations (item 100)

Canadian-controlled private corporations throughout the taxation year

Taxable Income from line 360 or amount Z of page 3	_____	A
Amount Z from Part 9 of Schedule 27	_____ x 100/7 = _____	B
Amount QQ from Part 13 of Schedule 27	_____	C
Resource allowance (amount from line 346 of Schedule 1)	_____ x 3 = _____	D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	_____	E
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4	_____	F
Aggregate investment income from line 440 on page 6	_____	G
Amount used to calculate the accelerated tax reduction (amount M on page 4)	_____	H
Total of amounts B, C, D, E, F, G, and H	_____	I
Amount A minus amount I (if negative, enter "0")	_____	J
Amount J _____ x _____	_____	X 1% = _____
Number of days in the taxation year in 2001	174	K
Number of days in the taxation year	174	
Amount J _____ x _____	_____	X 3% = _____
Number of days in the taxation year in 2002	174	L
Number of days in the taxation year	174	
Amount J _____ x _____	_____	X 5% = _____
Number of days in the taxation year in 2003	174	M
Number of days in the taxation year	174	
Amount J _____ x _____	_____	X 7% = _____
Number of days in the taxation year after 2003	174	N
Number of days in the taxation year	174	

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N O
 or amount O on line 638 of page 7)

General tax reduction (item 101)

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

Taxable income from line 360 or amount Z of page 3	_____	A
Amount Z from Part 9 of Schedule 27	_____ x 100/7 = _____	B
Amount QQ from Part 13 of Schedule 27	_____	C
Resource allowance (amount from line 346 of Schedule 1)	_____ x 3 = _____	D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	_____	E
Total of amounts B, C, D, and E	_____	F
Amount A minus amount F (if negative, enter "0")	_____	G
Amount G _____ x _____	_____	X 1% = _____
Number of days in the taxation year in 2001	174	H
Number of days in the taxation year	174	
Amount G _____ x _____	_____	X 3% = _____
Number of days in the taxation year in 2002	174	I
Number of days in the taxation year	174	
Amount G _____ x _____	_____	X 5% = _____
Number of days in the taxation year in 2003	174	J
Number of days in the taxation year	174	
Amount G _____ x _____	_____	X 7% = _____
Number of days in the taxation year after 2003	174	K
Number of days in the taxation year	174	

General tax reduction - Total of amounts H, I, J and K L
 (enter amount L on line 639 of page 7)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Refundable portion of Part I tax (item 102)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income 440 X 26 2/3 % = A
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income 445 X 9 1/3 % =
(Amount O from Part 1 of Schedule 7) (if negative, enter "0") B

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

Taxable income from line 360 on page 3

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 .

Foreign non-business income tax

credit from line 632 on page 7 X 25/9

Foreign business income tax

credit from line 636 on page 7 X 10/4

..... X 26 2/3 % = D

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

Deduct corporate surtax from line 600 of page 7

Net Amount E

Refundable portion of Part I tax - The least of amounts C, D, and E 450 <NIL> F

Refundable dividend tax on hand (item 103)

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

Deduct dividend refund for the previous taxation year 465

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation 480

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 <NIL>

Dividend refund (item 104)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 A

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

Dividend refund - Lesser of amounts of A and B (enter this amount on line 784 of page 8)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 105) 550 A

Corporate surtax calculation (item 106)

Base amount from line A above 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 2

Investment corporation deduction from line 620 below 3

Federal logging tax credit from line 640 below 4

Federal qualifying environmental trust tax credit from line 648 below 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:

28% of taxable income from line 360 on page 3 a

28% of taxed capital gains b

Part I tax otherwise payable
(line A plus lines C and D minus line F) c

Total of lines 2 to 6 7

Net amount (line 1 minus line 7) 8

Corporate surtax - 4% of the amount on line 8 600 <NIL> B

Recapture of Investment tax credit from line XX in Part 16 on page 8 of Schedule 31 (item 107) 602 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income

(for a CCPC throughout the taxation year) (item 108)

Aggregate investment income from line 440 on page 6 i

Taxable income from line 360 on page 3 ii

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4

Net amount ii

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii 604 D

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

Deduct:

Small business deduction from line 430 of page 4 9

Federal tax abatement (item 109) 608

Manufacturing and processing profits deduction

from amount BB or amount VV of Schedule 27 (item 110) 616

Investment corporation deduction (item 111) 620

(taxed capital gains 624)

Additional deduction - credit unions from Schedule 17 (item 112) 628

Federal foreign non-business income tax credit from Schedule 21 (item 113) 632

Federal foreign business income tax credit from Schedule 21 (item 114) 636

Accelerated tax reduction from amount O of page 4 (item 115) 637

General tax reduction for CCPCs from amount M of page 5 (item 116) 638

General tax reduction from amount J of page 5 (item 116) 639

Federal logging tax credit from Schedule 21 (item 117) 640

Federal political contribution tax credit (item 118) 644

Federal political contributions 646

Federal qualifying environmental trust tax credit (item 119) 648

Investment tax credit from Schedule 31 (item 120) 652

Subtotal F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 121) <NIL> G

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
NADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Net income (loss) after taxes and extraordinary items per financial statements 577,013 A

Add:

Provision for income taxes - current	101	275,499
Provision for income taxes - deferred	102	140,675
Interest and penalties on taxes	103	208
Amortization of tangible assets	104	1,213,259
Amortization of natural resource assets	105	
Amortization of intangible assets	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes - joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	15,261
Charitable donations from Schedule 2	112	
Taxable capital gains from Schedule 6	113	
Political donations	114	
Holdbacks	115	
Deferred and prepaid expenses	116	
Depreciation in inventory - end of year	117	
Scientific research expenditures deducted per financial statements	118	
Capitalized interest	119	676
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expenses	121	8,125
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves deducted in prior year from Schedule 13	125	176,606
Reserves from financial statements - balance at the end of the year	126	339,760
Soft costs on construction and renovation of buildings	127	
Total of fields 201 to 294 on page 2	199	70,530
Total of fields 101 to 199	500	2,240,599

- see next
page
Added back
twice

2,240,599

Deduct:

Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83 from Schedule 3	402	
Capital cost allowance from Schedule 8	403	1,187,667
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	1,431
Allowable business investment loss - Schedule 6	406	
Foreign non-business tax deduction under subsection 20(12)	407	
Holdbacks	408	
Deferred and prepaid expenses	409	
Depreciation in inventory - end of prior year	410	
Scientific research expenses claimed in year from Form T661	411	
Tax reserves claimed in current year from Schedule 13	413	167,985
Reserves from financial statements - balance at the beginning of the year	414	416,244
Patronage dividends from Schedule 16	416	
Contributions to deferred income plans from Schedule 15	417	
Total of fields 300 to 394 on page 3	499	1,386,655
Total of fields 401 to 499	510	3,159,982

3,159,982

Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return -342,370

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	
Other additions:		
600 LARGE CORP TAX DEDUCTED FOR ACCOUNTING	290	69,854
601 ADJUSTMENT FOR CAPITALIZED INTEREST	291	676
602	292	
603	293	
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		70,530

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700	390	
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	387,918
702 PORT COLBOURNE OPERATING LEASE COSTS	392	308,959
703 DEFERRED GST ITCS	393	689,778
704	394	
Total of fields 300 to 394 (enter this amount at line 499 on page 1)		<u>1,386,655</u>

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

For use by a corporation to determine the continuity and use of available losses; to determine the current year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carry-back to prior years.

The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.

For detailed description and calculation of these losses, see IT-232, *Losses-Deductibility in the Loss Year or in Other Years*.
For information on these losses, see the *T2 Corporation Income Tax Guide*.

File one completed copy of this schedule with the T2 return, or forward it by itself to the tax center where the return is filed.

Parts, sections, subsections and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 - Non-Capital Losses**Determination of current year non-capital loss**

Net income (loss) for income tax purposes		\$	-342,370
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares-Paragraph 110(1)(d.2)			
	Subtotal - if positive, enter "0"		-342,370
Deduct: (increase a loss)			
Section 110.5 - Addition for foreign tax deductions			
	Subtotal		-342,370
Add: (decrease a loss)			
Current year farm loss			
Current year non-capital loss (if positive, enter "0")		\$	-342,370

Continuity of non-capital losses and request for carry-back

Non-capital loss at the end of preceding taxation year	\$	346,207	
Deduct:			
Non-capital loss expired after seven taxation years	100		
Non-capital losses at the beginning of taxation year	102	346,207	
Add:			
Non-capital losses transferred on amalgamation or wind-up of subsidiary	105		
Current year non-capital loss (from calculation above)	110	342,370	\$ 688,577
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Section 80 Adjustments for forgiven amounts	140		
Other adjustments	150		
	Subtotal		688,577
Deduct - Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901		
Second preceding taxation year to reduce taxable income	902		
Third preceding taxation year to reduce taxable income	903		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	912		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses - Closing balance (if negative, enter zero)	180	\$	688,577

Election under paragraph 88(1.1)(f)

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Part 2 - Capital Losses

Continuity of capital losses and request for carry-back

Capital losses at end of preceding taxation year	200	\$	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205		
Current year capital loss (from Schedule 6 calculation)	210	\$	
Add:			
Allowable business investment loss expired as non-capital loss		\$	
		x 4/3	220
		Subtotal	
Deduct:			
Amount applied against current year capital gain	225		
Section 80 adjustment for forgiven amounts	240		
Other adjustments	250		
		Subtotal	
Deduct - Request to carry back capital loss to: (see note 2)			
First preceding taxation year	951		
Second preceding taxation year	952		
Third preceding taxation year	953		
Capital losses - closing balance	280	\$	

Note 1: On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2: Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm Losses

Continuity of farm losses and request for carry-back

Farm losses at end of preceding taxation year		\$	
Deduct:			
Farm loss expired after ten taxation years	300		
Farm losses at beginning of taxation year	302		
Farm losses transfer on amalgamation or wind-up of subsidiary	305		
Current year farm loss	310	\$	
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 adjustment for forgiven amounts	340		
Other adjustments	350		
		Subtotal	
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - closing balance	380	\$	

Part 4 - Restricted Farm Losses

Current year restricted farm loss

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/12/31
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Part 4 - Restricted Farm Losses (continued)

Continuity of restricted farm losses and request for carry-back

Restricted farm losses at end of preceding taxation year		\$	
Deduct: Restricted farm loss expired after ten taxation years	400		
Restricted farm losses at beginning of taxation year	402		
Add:			
Restricted farm losses transferred on amalgamation or wind-up of subsidiary	405		
Current year restricted farm loss (enter on line 233 of Schedule 1)	410		\$
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941		
Second preceding taxation year to reduce farming income	942		
Third preceding taxation year to reduce farming income	943		
Restricted farm losses - closing balance		480	\$

Note: The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed Personal Property Losses

Continuity of listed personal property loss and request for carry-back

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

Part 6 - Analysis of Balance of Losses by Year of Origin

Year of origin	Non-capital losses \$	Farm losses \$	Restricted farm losses \$	Listed personal property losses \$
2002/12/31	342,370			
2001/12/31				
2000/12/31	223,925			
1999/12/31	36,894			
1998/12/31	85,388			
1997/12/31				
1996/12/31				
1995/12/31				
1994/12/31				
1993/12/31				
Total	688,577			

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Part 7 - Limited Partnership Losses

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

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending YYYY/MM/DD	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Total of corporation's share of partnership investment tax credit, business or property losses and resource expenses	Columns 4 - 5 If negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6
630	632	634	636	638		650

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/12/31
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Continuity of Losses Carried Forward

SCHEDULE 4 - Federal Supplement

Capital losses - gross amount

Balance - beginning of year

Losses carried forward from previous years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1992					
31/12/1993					
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1999	85.388				
31/12/2000	36.894				
31/12/2000	223.925				
31/12/2001					
Total	346.207	<NIL>	<NIL>	<NIL>	<NIL>

Continuity of losses

	Non-Capital Losses	Capital losses (gross amount)	Farm Losses	Restricted Farm Losses	Listed Property
Balance - beginning of year	346.207				
Additions:					
Current year losses	342,370				
Losses from pred. companies					
Sub-Total	688.577				
Less: Utilized during year					
- to reduce taxable income					
- to reduce part IV tax					
Expired during the year					
Less: Carried back					
- to reduce taxable income					
- to reduce part IV tax					
Sub-Total					
Balance - end of year	688.577	<NIL>	<NIL>	<NIL>	<NIL>

Losses carried forward to future years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1993					
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1999	85.388				
31/12/2000	36.894				
31/12/2000	223.925				
31/12/2001					
31/12/2002	342.370				
Total	688.577	<NIL>	<NIL>	<NIL>	<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

(1998 and later taxation years)

Name of Corporation NADIAN NIAGARA POWER INC.	Business Number 5998695	Taxation Year End 2002/12/31
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For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.Is the corporation electing under regulation 1101(5g)? **101** 1 Yes ☐ 2 No ☒

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		35,679,593	2,461,440			38,141,033	1,230,720	36,910,313	4.0	703,806	37,437,227
2		3,113,634				3,113,634		3,113,634	6.0	89,056	3,024,578
8		776,985	270,550		282	1,047,253	135,134	912,119	20.0	86,961	960,292
10		1,253,643	239,240		5,925	1,486,958	116,658	1,370,300	30.0	195,967	1,290,991
12		102,724	263,932			366,656	131,966	234,690	100.	111,877	254,779
	Total	40,926,579	3,235,162		6,207	44,155,534	1,614,478	42,541,056		1,187,667	42,967,867

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐

2 No ☒

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
reg	40926,579	3,235,162		6,207	44155,534	1,614,478	42541,056
10.1							
13							
14							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
reg			1,187,667	42967,867			
10.1							
13							
14							
Total			1,187,667				

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture

Enter in 650 on the CT23

Terminal loss

Enter in 650 on the CT23

CCA Claimed

1,187,667

Enter in 650 on the CT23

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

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

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

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

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

(1998 and later taxation years)

of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.Is the corporation electing under regulation 1101(5g)? 101 1 Yes ☐ 2 No ☒

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		35,679,593	2,461,440			38,141,033	1,230,720	36,910,313	4.0	703,806	37,437,227
2		3,113,634				3,113,634		3,113,634	6.0	89,056	3,024,578
8		776,985	270,550		282	1,047,253	135,134	912,119	20.0	86,961	960,292
10		1,253,643	239,240		5,925	1,486,958	116,658	1,370,300	30.0	195,967	1,290,991
12		102,724	263,932			366,656	131,966	234,690	100.	111,877	254,779
	Total	40,926,579	3,235,162		6,207	44,155,534	1,614,478	42,541,056		1,187,667	42,967,867

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

CAPITAL COST ALLOWANCE (CCA)
(1998 and later taxation years)**SCHEDULE 8SUM - Federal**

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/12/31
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For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐2 No ☒

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	40926.579	3.235.162		6.207	44155.534	1.614.478	42541.056
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			1.187.667	42967.867			
10.1							
13							
14							
Total			1.187.667				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture	_____	(Schedule 1 Line 107)
Terminal loss	_____	(Schedule 1 Line 404)
CCA Claimed	<u>1.187.667</u>	(Schedule 1 Line 403)

RELATED AND ASSOCIATED CORPORATIONS
(1998 and later taxation years)

SCHEDULE 9

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
NADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

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

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

Name 100	Country of residence (other than Canada) 200	Business number (Note 1) 300	Relationship code (Note 2) 400	No. of common shares owned 500	% of common shares owned 550	Number of pfd shares owned 600	% of pfd shares owned 650	Book value of capital stock 700
CANADIAN NIAGARA POW	CA	100768985	1	1	100.			1
1161557 ONTARIO LIM	CA	893291740	3					1
For a complete list	CA	100768985	3					1
refer to Schedule 9	CA	100768985	3					1
of Fortis Inc.	CA	100768985	3					1
(101852416)	CA	100768985	3					1

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION
(2000 and later taxation years)**SCHEDULE 10**

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2002/12/31
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For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
A separate cumulative eligible capital account must be kept for each business.
This form applies to taxation years that end after February 27, 2000.

PART 1 - CALCULATION OF CURRENT YEAR DEDUCTION AND CARRY-FORWARD

Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter "0").	200	42,883	A
Add:			
Cost of eligible capital property acquired during the taxation year.	222		B
Amount transferred on amalgamation or wind-up of subsidiary.	224		C
Other adjustments	226		D
(Add amounts B, C, and D)		x 3/4 =	E
Subtotal (amount A plus amount E)	230	42,883	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(Add amounts G, H, and I)		x 3/4 =	J
Cumulative eligible capital balance (amount F minus amount J)		42,883	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)			
Current year deduction	amount K	42,883	x 7% = 250
(deduct amount L at line 405 of Schedule 1)		1,431	L
Cumulative eligible capital - closing balance	300	41,452	M
(amount K minus amount L) (if negative, enter "0")			

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

PART 2 - AMOUNT TO BE INCLUDED IN INCOME ARISING FROM DISPOSITION

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

Amount from line K above (show as a positive amount)			N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	400	1	
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7)	401	2	
Total of cumulative eligible capital deductions claimed for taxation years commencing before July 1, 1988	402	3	
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	408	4	
Line 3 minus line 4		5	
Total of line 1, 2, and 5		6	
Line T from Schedule 10 of previous taxation years ending after February 27, 2000	409	7	
Line 6 minus line 7			O
Line N minus line O (cannot be negative)			P
Amount on line 5 x 1/2			Q
Line P minus line Q			R
Amount on line R x 2/3 *			S
Lesser of line N or line O			T
Amount to be included in income on line 108 of Schedule 1, line S plus line T	410		

* For taxation years ending after February 27, 2000 and before October 18, 2000, use the fraction 8/9 to calculate line S.

For taxation years ending before February 28, 2000, no reduction can be claimed, use the fraction 1/1 to calculate line S.

CONTINUITY OF RESERVES
(1998 and later taxation years)**SCHEDULE 13**

<div> <div> Name of Corporation</div> <div>NADIAN NIAGARA POWER INC.</div> </div>	<div> <div>Business Number</div> <div>872498225 RC 0001</div> </div>	<div> <div>Taxation Year End</div> <div>2002/12/31</div> </div>
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For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.

References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.

File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.

For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 176,606	8,621		135	140 167,985
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 176,606	8,621	<NIL>	275 <NIL>	280 167,985

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.

The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

MISCELLANEOUS PAYMENTS TO RESIDENTS
(1998 and later taxation years)**SCHEDULE 14**

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.

Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	CNP CO LTD	1130 BERTIE STREET FORT ERIE ON L2A5Y2			196,500		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part 1.3 tax payable before the deduction for surtax credits.

Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".

Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part 1.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.

No Part 1.3 tax is payable for a taxation year by a corporation that was:

- 1) a non-resident - owned investment corporation throughout the year;
- 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
- 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
- 4) exempt from tax under section 149 throughout the year on all of its taxable income;
- 5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
- 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.

File the completed Schedule 33 with the *T2 Corporation Income Tax Return* within six months from the end of the taxation year.

Filing date (for departmental use only)	100	Year	Month	Day

Complete the following areas to determine the amounts needed to calculate Part 1.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I ..	101	2,829,896
Capital stock (or members' contributions if incorporated without share capital)	103	21,400,000
Retained earnings	104	1,685,926
Contributed surplus	105	
Any other surpluses	106	
Deferred unrealized foreign exchange gains	107	
All loans and advances to the corporation	108	223,135
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	24,820,811
Any dividends declared but not paid by the corporation before the end of the year	110	
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year ...	111	
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	
Subtotal		50,959,768

50,959,768 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	
Any deficit deducted in computing the shareholders' equity	122	
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	
The amount of deferred unrealized foreign exchange losses	124	
Subtotal		

B

Capital for the year (amount A minus amount B) (if negative, enter "0") 190 50,959,768

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End 2002/12/31
-----------------------------------------------------------	---------------------------------------------	----------------------------------------------

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401
A loan or advance to another corporation (other than a financial institution)	402
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403
Long-term debt of a financial institution	404
A dividend receivable on a share of the capital stock of another corporation	405
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (otherwise than by reason of paragraph 181.1(3)(d))	406
An interest in a partnership	407
Investment allowance for the year	490

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)	<u>50,959,768</u>	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 <u>50,959,768</u>	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500) <u>50,959,768</u>	x	Taxable income earned in Canada 610	<u>1,000</u>	=	Taxable capital employed in Canada 690 <u>50,959,768</u>
		Taxable income	<u>1,000</u>		

- Notes:**
- 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - 2) Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - 3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada

701

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada

711

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada ...

712

Total amount of carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada

713

Total deductions (add lines 711, 712, and 713)

E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")

790

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Part 6 - Calculation of gross Part 1.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)	50,959,768	
Less: Capital deduction claimed for the year (enter \$10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	
Excess of taxable capital employed in Canada over capital deduction	811 50,959,768	
Gross Part 1.3 tax: Line 811	50,959,768	x .00225 = 114,659 F
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:		
Amount F	114,659	x Number of days in the year (174) = 54,659 G
		365
Gross Part 1.3 tax (amount F or G, whichever applies)	820	54,659

Part 7 - Calculation of current year surtax credits

Corporations can claim a credit against their Part 1.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.

Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.

Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return

b) line 700 plus line 660 from the T2 return

In any other case, the lesser of c and d below:

c) line 600 from the T2 return x $\frac{\text{line 690 of this schedule } 50,959,768}{\text{line 500 of this schedule } 50,959,768} =$

d) line 700 plus line 660 from the T2 return

Current year surtax credit (amount H or I, whichever applies) 830

Part 8 - Calculation of Part 1.3 tax credit available for carry-forward

Amount on line 830		
Less: Part 1.3 tax before deducting surtax credits (line 820)	54,659	J
Net amount	-54,659	K
If the amount on line K is <i>positive</i> , it represents the amount of Part 1.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part 1.3 tax credit balance		
Note: The portion of amount K carried forward should be entered at line 660 of the T2 return.		L
If the amount K is <i>negative</i> , it represents the amount of unused surtax credit of other years, that may be applied to reduce Part 1.3 tax payable in the current year	54,659	M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)	
Less: Part 1.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)	
Current year unused surtax credit (enter this amount on Schedule 37)	850

Part 10 - Calculation of net Part 1.3 tax payable

Gross Part 1.3 tax (line 820)	54,659	N
Deduct the following amounts:		
Current year surtax credit applied (the lesser of lines 820 and 830)	861	
Unused surtax credit from prior years applied	862	
Total (cannot exceed amount on line 820)		O
Net Part 1.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	870	54,659

**AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX
(1998 and later taxation years)**

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2002/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------

Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000 among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**

In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2002	
Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.				
Names of all corporations which are members of the related group 200	Business Number (if a corporation is not registered, enter 'NR') 300	Allocation of capital deduction for the year \$ 400	Taxation year to which this agreement applies* (YYYY /MM /DD) 500	
1. CANADIAN NIAGARA POWER INC.	872498225		2002/12/31	
2. 1161557 ONTARIO LIMITED	893291740		2002/12/31	
3. CANADIAN NIAGARA POWER COMPANY, LIMITED	100768985		2002/12/31	
4. FOR A COMPLETE LIST OF THE ALLOCATION	101852416		2002/12/31	
5. OF THE CAPITAL DEDUCTION, PLEASE REFER	101852416		2002/12/31	
6. TO SCHEDULE 36 OF THE PARENT COMPANY	101852416		2002/12/31	
7. FORTIS INC.	101852416	10,000,000	2002/12/31	
8.				
9.				
10.				
11.				
12.				
13.				
Total (not to exceed \$10,000,000)		10,000,000		

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

For use by corporations which have remitted instalment payments for the taxation year of the return being filed.

The use of this schedule will assist the department in processing your return.

the statements of account balance (form T9 part 2) received from the department to prepare this schedule.

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0001		Taxation Year End	Year Month Day 2002/12/31
Name of corporation contact (for department enquiries) HARRY CLUTTERBUCK				Telephone Number (905) 871-0330	
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)			Amount of Credit	
	TOTAL INSTALLMENTS			263,000	
	LESS APPLIED TO JULY 10/02 RET			-47,051	
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)				(A)	215,949
Total instalments credited to the taxation year, per last T9 statement of account balance				(B)	

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective date of the transfer will be the date of assessment.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	31/12/2002

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1. _____
2. _____
3. _____ to (362) _____

Corporation's share of gross revenue:

Corporation's own gross revenue 31,569,469

ADD:

1. _____ 0
2. _____ 0
3. _____ 0

Total gross revenue of corporation & partnerships to (480) 31,569,469

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1. _____
2. _____
3. _____ to (400) _____

Bonds & securities - Gov't/Municipality/School District:

1. _____
2. _____
3. _____ to (401) _____

Bonds & debentures of other corporations:

1. _____
2. _____
3. _____ to (402) _____

Mortgages due from other corporations:

1. _____
2. _____
3. _____ to (403) _____

Shares in other corporations:

1. _____
2. _____
3. _____ to (404) _____

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1. _____
2. _____
3. _____ to (405) _____

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1. _____
2. _____
3. _____ to (406) _____

Shares of partnership(s) or joint venture(s) eligible investments:

1. _____
2. _____
3. _____ to (407) _____

LOANS AND ADVANCES:

From corporations or government

From shareholders or related persons

From SEE ATTACHED SCHEDULE 25,957,878

From _____ to (353) 25,957,878

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

Corporate Tax Summary

Income from financial statements or T2S(1)		-342,370
Less: Donations and gifts to the crown		
Deductible taxable dividends		
Part VI.1 tax		
Other		
	Taxable income	
Addition to taxable for foreign tax deductions		
	Adjusted taxable income	
Tax on taxable income of _____ at 38%		
Add: Corporate surtax		
Refundable tax on investment income		
Less: Small business deduction		
Federal tax abatement		
Manufacturing and processing deduction		
Foreign non-business tax credit		
Foreign business income tax credit		
Federal political contribution credit		
Investment tax credit		
Part I.3 tax credit		
Other deductions and credits		
Part I tax payable		
Refundable portion of part I tax		
Part I.3 tax on large corporations		54,659
Part IV tax on taxable dividends		
Other taxes payable		
	Subtotal	54,659
Add: Provincial (territorial) taxes less credits		
	Subtotal	54,659
Less: Instalments	215,949	
Dividend refund		
Investment tax credit & other refunds		215,949
Federal balance owing or refundable		-161,290
Provincial Capital Tax for Nova Scotia and New Brunswick		
Ontario income tax (net of credits)		
Ontario capital tax	66,523	
Ontario corporate minimum tax	39,727	
Ontario premium tax		
Manitoba capital tax		
Saskatchewan capital tax		
Alberta income tax		
British Columbia capital tax		106,250
Less: Instalments paid to provinces		116,491
Total provincial tax owing or refundable		-10,241
Total federal tax owing or refundable		-161,290
Total provincial tax owing or refundable		-10,241
Total tax owing or refundable		-171,531

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

**General Index of Financial Information (GIFI)
Balance Sheet Information**

T2 SCH 100

Assets

Page 1 of 1

Current assets

Trade accounts receivable	1062	8,057,352
Allowance for doubtful trade accounts receivable	1063	145,526
Inventory parts and supplies	1122	1,182,930
Other current assets	1480	450
Prepaid expenses	1484	1,506,068
Total current assets	1599	10,601,274

Capital assets

Other machinery and equipment	1785	69,096,538
Accumulated amortization of other machinery and equipment	1786	20,119,566
Total tangible capital assets	2008	69,096,538
Total accumulated amortization of tangible capital assets	2009	20,119,566

Intangible Capital Assets

Total intangible capital assets	2178	
Total accumulated amortization of intangible capital assets	2179	

Long Term Assets

Deferred pension charges	2422	1,766,474
Total long term assets	2589	1,766,474

Assets held in trust	2590	
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Total assets *	2599	61,344,720
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* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 2 of 3

Liabilities

Current liabilities

Bank overdraft	2600	1,130,983
Trade payables	2621	7,656,123
Taxes payable	2680	387,181
Total current liabilities	3139	<u>9,174,287</u>

Long term liabilities

Deferred income taxes	3240	891,648
Due to corporate shareholder(s)	3262	24,820,811
Long term obligations / commitments / capital leases	3321	1,938,248
General provisions / reserves	3325	1,433,348
Total long term liabilities	3450	<u>29,084,055</u>

Total liabilities *	3499	<u>38,258,342</u>
----------------------------------	-------------	-------------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 3 of 3

Shareholder Equity

Common shares	3500	<u>21,400,000</u>
Retained earnings / deficit (from Line 3849)	3600	<u>1,686,378</u>

Total shareholder equity *	3620	<u>23,086,378</u>
-----------------------------------------	-------------	-------------------

* Mandatory field

Retained Earnings Information

Retained earnings / deficit

Retained earnings / deficit - start	3660	<u>1,109,365</u>
Net income / loss	3680	<u>577,013</u>
Retained earnings / deficit - end (enter this amount at Line 3600)	3849	<u>1,686,378</u>

Total liabilities and shareholder equity	3640	<u>61,344,720</u>
-------------------------------------------------------	-------------	-------------------

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 1 of 7

0001 Operating name - Required if different from corporation's legal name

CANADIAN NIAGARA POWER INC.

0002 Description of the operation - Required if filing more than one GIFI 125 and the operation is different from the main activity

ELECTRICAL ENERGY DISTRIBUTION

0003 Sequence Number

1

Revenue

Trade sales of goods and services 8000 31,584,730

Total sales of goods and services 8089 31,584,730

Realized gains / losses on disposal of assets 8210 -15,261

Other Revenue

Total revenue * 8299 31,569,469

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 2 of .

Cost of sales

Purchases / cost of materials	8320	22,640,025
Other direct costs	8450	5,364,826
Cost of sales	8518	<u>28,004,851</u>
 Gross profit / loss	 8519	 <u>3,579,879</u>

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2002	12	31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 3 of 7

Operating expenses

Promotion	8524	3,853
Amortization of tangible assets	8670	1,213,259
Interest paid on deposits	8741	824,277
Consulting fees	8863	449,257
Travel expenses	9200	80,785
Total operating expenses	9367	2,571,431

Total expenses *	9368	30,576,282
-------------------------------	-------------	-------------------

* Mandatory field

Net non-farming income	9369	993,187
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GIFI
SCHEDULE 141 - NOTES

Page 1 of 1

Notes Checklist

Involvement of accountant

0100 who reported on/prepared the corporation's financial statements?

Choose only one of the following:

- ☐ 1 an independent auditor with a report that expressed no reservation
- ☐ 2 an independent auditor with a report that expressed a reservation
- ☐ 3 an independent accountant with a review engagement report that expressed no reservation
- ☐ 4 an independent accountant with a review engagement report that expressed a reservation
- ☐ 5 an independent accountant who conducted a compilation engagement with no review
- ☐ 6 an independent accountant with a compilation engagement and review engagement resulting in no reservation
- ☐ 7 an independent accountant with a compilation engagement and review engagement resulting in a reservation
- ☒ 8 prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant

Other information

- 0101** Were notes to the financial statements prepared? No
- 0102** Are any values presented at other than cost? No
- 0103** Has there been a change in accounting policies since the last return? No
- 0104** Are subsequent events mentioned in the notes? No
- 0105** Is re-evaluation of asset information mentioned in the notes? No
- 0106** Is contingent liability information mentioned in the notes? No
- 0107** Is information regarding commitments mentioned in the notes? No
- 0108** Does the corporation have investments in joint venture(s) or partnership(s)? No
- 0109** If yes, are you filing financial statements of the joint venture(s) or partnership(s)? No

2003 CNPI T2 FEDERAL TAX RETURN

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation - Income Tax Guide*(T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information (GIFI)*, to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) (item 11) 001 872498225 R C 0001

Corporation's name (Item 12)

002 CANADIAN NIAGARA POWER INC.

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☐ 2 No ☒

If Yes, do you have a copy of the articles of amendment? 004 1 Yes ☐ 2 No ☐

Address of head office (item 13)

Has the address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

011 1130 BERTIE STREET

012

City

015 FORT ERIE

Province, territory or state

016 ON

Country (other than Canada)

017 CA

Postal code / ZIP code

018 L2A5Y2

Mailing address (If different from head office address) (item 14)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City

025

Province, territory or state

026

Country (other than Canada)

027

Postal code / ZIP code

028

Location of books and records (item 15)

031 1130 BERTIE STREET

032

City

035 FORT ERIE

Province, territory or state

036 ON

Country (other than Canada)

037 CA

Postal code / ZIP code

038 L2A5Y2

040 Type of corporation at the end of the taxation year (item 16)

1 ☐ Canadian-controlled private corporation (CCPC)

4 ☒ Corporation controlled by a public corporation

2 ☐ Other private corporation

5 ☐ Other corporation (specify, below)

3 ☐ Public corporation

Controlled by public

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

YYYY MM DD

To which taxation year does this return apply? (item 17)

Taxation year start

060 2003/01/01

YYYY MM DD

Taxation year-end

061 2003/12/31

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired 065

YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? (item 19) 070 1 Yes ☐ 2 No ☒

Amalgamation? (item 20) 071 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year? (item 21). 072 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24

Is this the final taxation year before amalgamation? (item 22). 076 1 Yes ☒ 2 No ☐

Is this the final return up to dissolution? (item 23). 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada? (item 24)

080 1 Yes ☒ 2 No ☐ If No, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24). 082 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91

If the corporation is exempt from tax under section 149 tick one of the following boxes: (item 25)

085

1 ☐ Exempt under 149(1)(e) or (l)

2 ☐ Exempt under 149(1)(j)

3 ☐ Exempt under 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091

092

093

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095

096

097

Page 1 of 8

No longer required by the CCRA. Submit the RSI forms only.

CT09

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Attachments

* We do not print these schedules.

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141.

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

Guide item	Yes	No	Schedule
27 Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28 Does the corporation have any non-resident shareholders?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	19
29 Is the corporation an associated Canadian-controlled private corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30 Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32 Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11
33 If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34 Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35 Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15
37 Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38 Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	T5013
40 Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41 Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42 Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43 Has the corporation had any non-arm's length transactions with a non-resident?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47 Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year? . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
46 For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50
55 Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81 Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2
82,104 Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76 Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4
132 Is the corp. claiming prov. or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56 Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
103 (i) Is the corporation claiming the small business deduction and reporting income from:(a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57 Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58 Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10
59 Does the corporation have any resource-related deductions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60 Is the corporation claiming reserves of any kind?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13
61 Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62 Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17
150 Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
131 Was the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
118 Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits? . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	21
155 Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
111 Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27
121 Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63 Is the corporation claiming any scientific research and experimental development expenditures?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T661/T665
124 Is the corporation subject to gross Part 1.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
124 Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	36
124 Is the corporation claiming a surtax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	37
128 Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	38
128 Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	42
129 Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?. . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	43
129 Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	45
125 Is the corporation subject to Part II - Tobacco Manufacturers' surtax ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
128 For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	39
128 For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40
128 For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	41
152 Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131

Attachments - continued from page 2

Guide item	Yes	No	Sched.
130 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*
153 Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
-- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
-- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? ...	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
-- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48) **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) (item 49) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? (item 50) **282** ELECTRICAL ENERGY
(Only complete if Yes was entered at line 281.)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)	284 <u>ELECTRICAL ENERGY</u>	285 <u>100.</u>	%
	286 _____	287 _____	%
	288 _____	289 _____	%

Did the corporation immigrate to Canada during the taxation year? (item 53) **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? (item 54) **292** 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI (item 77) **300** 4,215,205 A

Deduct: Charitable donations from Schedule 2 (item 78) **311** 1,028

Gifts to Canada, a province or a territory from Schedule 2 (item 79) **312** _____

Cultural gifts from Schedule 2 (item 80) **313** _____

Ecological gifts from Schedule 2 (item 81) **314** _____

Taxable dividends deductible under section 112 or 113, or subsection 138(6)

from Schedule 3 (item 82) **320** _____

Part VI.1 tax deduction from Schedule 43 (item 83)* **325** _____

Non-capital losses of preceding taxation years from Schedule 4 (item 84) **331** 688,576

Net-capital losses of preceding taxation years from Schedule 4 (item 85) **332** _____

Restricted farm losses of preceding taxation years from Schedule 4 (item 86) **333** _____

Farm losses of preceding taxation years from Schedule 4 (item 87) **334** _____

Limited partnership losses of preceding taxation years from Schedule 4 (item 88) . **335** _____

Taxable capital gains or taxable dividends allocated from a central

credit union (item 89) **340** _____

Prospector's and grubstaker's shares (item 90) **350** _____

Subtotal 689,604 Y 689,604 B

Subtotal (amount A minus amount B)(if negative, enter "0") 3,525,601 C

Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) addition (item 91) **355** _____ D

Taxable income (amount C plus amount D) (item 92) **360** 3,525,601

Income exempt under paragraph 149(1)(t) (item 93) **370** _____

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94) 3,525,601 Z

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

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95)

400

A

Taxable income from line 360 on page 3, minus 10/3 of the amount at line 632* on page 7, minus 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)

405

3,525,601

B

Calculation of the business limit: (Item 97)

For all CCPCs, calculate the amount at line 4 below.

200,000

x

Number of days in the taxation year before 2003

=

365

1

225,000

x

Number of days in the taxation year in 2003

=

365

2

250,000

x

Number of days in the taxation year in 2004

=

365

3

Add amounts at line 1, 2 and 3

4

410

C

Business limit (see note1 and 2 below)

410

C

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

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

Business limit reduction: (item 98)

Amount C

x

415 ***

54,659

D

=

11,250

E

Reduced business limit (amount C minus amount E) (if negative, enter "0")

425

F

Small business deduction - 16% of whichever amount is least: A, B, C, or F

430

<NIL>

G

(enter amount G on line 9 on page 7.)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** Large corporation tax

* The large corporation tax to be entered at line 415 is the gross Part 1.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part 1.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).

* If the corporation is not associated with any corporation in both the current and preceding taxation years, enter the corporation's gross Part 1.3 tax for its preceding taxation year.

* If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding year, and its current taxation year:

- starts before December 21, 2002, enter the corporation's gross Part 1.3 tax for its preceding taxation year; or

- starts after December 20, 2002, enter the corporation's gross Part 1.3 tax for its current taxation year.

* For corporations associated in the current taxation year, see Schedule 23 for special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425)

x

300,000

line 4 above

=

A

Net active business income (amount from line 400) *

B

Taxable income from line 360 on page 3 minus 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)

C

Deduct:

Aggregate investment income (amount from line 440 of page 6)

D

Amount C minus amount D (if negative, enter "0")

Y

E

Amounts A, B, or E above, whichever is less

F

Amount Z from Part 9 of Schedule 27

x 100/7 =

G

Amount QQ from Part 13 of Schedule 27

H

Taxable resource income from line 435 of page 5

I

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

J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less

K

Total of amounts G, H, I, J, and K

Y

L

Amount F minus amount L (if negative, enter "0")

M

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7)

N

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

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

Page 4 of 8

No longer required by the CCRA. Submit the RSI forms only.

CT09

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Resource deduction (item 100)

Taxable resource income	435	A
Amount A	$\frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}} \times 365$	X 1% = B
Amount A	$\frac{\text{Number of days in the taxation year in 2004}}{\text{Number of days in the taxation year}} \times 365$	X 2% = C
Resource deduction - amount B plus amount C (enter amount D on line 10 of page 7)	438	D

General tax reduction for Canadian-controlled private corporations (item 101)

Canadian-controlled private corporations throughout the taxation year

Taxable Income from line 360 on page 3	E	
Amount Z from Part 9 of Schedule 27	x 100/7 = F	
Amount QQ from Part 13 of Schedule 27	G	
Taxable resource income from line 435 above	H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	I	
Amount on line 400, 405, 410 or 425 on page 4, whichever is less	J	
Aggregate investment income from line 440 on page 6	K	
Amount used to calculate the accelerated tax reduction (amount M on page 4)	L	
Total of amounts F, G, H, I, J, K, and L	Y	
Amount E minus amount M (if negative, enter "0")	M	
Amount N	$\frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}} \times 365$	X 3% = O
Amount N	$\frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}} \times 365$	X 5% = P
Amount N	$\frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}} \times 365$	X 7% = Q
General tax reduction for Canadian-controlled private corporations - Total of amounts O, P and Q (enter amount R on line 638 of page 7)	R	

General tax reduction (item 102)

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

Taxable income from line 360 on page 3	3,525,601	S
Amount Z from Part 9 of Schedule 27	x 100/7 = T	
Amount QQ from Part 13 of Schedule 27	U	
Taxable resource income from line 435 above	V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	W	
Total of amounts T, U, V, and W	Y	
Amount S minus amount X (if negative, enter "0")	3,525,601	Y
Amount Y	$\frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}} \times 365$	X 3% = Z
Amount Y	$\frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}} \times 365$	X 5% = 176,280 AA
Amount Y	$\frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}} \times 365$	X 7% = BB
General tax reduction - Total of amounts Z, AA and BB (enter amount CC on line 639 of page 7)	176,280	CC

Refundable portion of Part I tax (item 103)
Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % = **B**
(Amount O from Part 1 of Schedule 7) (if negative, enter "0")

Amount A minus amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3 **3,525,601**

Deduct:

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

Foreign non-business income tax credit from line 632 on page 7 X 25/9

Foreign business income tax credit from line 636 on page 7 X 3* **Y**

3,525,601 X 26 2/3 % = **940,160** **D**

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) **850,375**

Deduct: Corporate surtax from line 600 of page 7 **39,487**

Net amount **810,888** **Y** **810,888** **E**

Refundable portion of Part I tax - Amount C, D or E, whichever is less **450** **<NIL>** **F**

* For taxation years ending before 2003, "3" is replaced by 10/4.

Refundable dividend tax on hand (item 104)

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

Deduct: Dividend refund for the previous taxation year **465**

Y **A**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Y **B**

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B **485** **<NIL>**

Dividend refund (item 105)
Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **A**

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

Dividend refund - Amount A or B, whichever is less (enter this amount on line 784 of page 8)

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106)	550	<u>1,339,728</u>	A
Corporate surtax calculation (item 107)			
Base amount from line A above	<u>1,339,728</u>	1	
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	<u>352,560</u>	2	
Investment corporation deduction from line 620 below		3	
Federal logging tax credit from line 640 below		4	
Federal qualifying environmental trust tax credit from line 648 below		5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:			
28% of taxable income from line 360 on page 3 <u>987,168</u> a			
28% of taxed capital gains b			6
Part I tax otherwise payable (line A plus lines C and D minus line F) <u>810,888</u> c			
Total of lines 2 to 6	<u>352,560</u>	7	
Net amount (line 1 minus line 7)	<u>987,168</u>	8	
Corporate surtax - 4% of the amount on line 8	600	<u>39,487</u>	B
Recapture of Investment tax credit from line PPP in Part 21 of Schedule 31 (item 108)	602		C
Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income (for a CCPC throughout the taxation year) (item 109)			
Aggregate investment income from line 440 on page 6		i	
Taxable income from line 360 on page 3	<u>3,525,601</u>		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less ...			
Net amount	<u>3,525,601</u> Y <u>3,525,601</u>	ii	
Refundable tax on CCPC's Investment income - 6 ^{2/3} % of the lesser of amounts i or ii	604		D
Subtotal (add lines A, B, C, and D)		<u>1,379,215</u>	E
Deduct:			
Small business deduction from line 430 of page 4		9	
Federal tax abatement (item 110)	608	<u>352,560</u>	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632		
Federal foreign business income tax credit from Schedule 21 (item 115)	636		
Accelerated tax reduction from amount N of page 4 (item 116)	637		
Resource deduction from line 438 of page 5		10	
General tax reduction for CCPCs from amount R of page 5 (item 117)	638		
General tax reduction from amount CC of page 5 (item 117)	639	<u>176,280</u>	
Federal logging tax credit from Schedule 21 (item 118)	640		
Federal political contribution tax credit (item 119)	644		
Federal political contributions 646			
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subtotal	<u>528,840</u>	Y	<u>528,840</u> F
Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 122)		<u>850,375</u>	G

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 123)	700	850,375
Part I.3 tax payable from Schedule 33, 34 or 35 (item 124)	704	88,005
Part II surtax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		938,380

Add provincial and territorial tax:

Provincial or territorial jurisdiction (item 132) 750 Ontario

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 133) . 760

Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147) 765

Total tax payable 770 Y 938,380 A

Deduct other credits:

Investment tax credit refund from Schedule 31 (item 148)	780
Dividend refund from page 6 (item 149)	784
Federal capital gains refund from Schedule 18 (item 150)	788
Federal qualifying environmental trust tax credit refund (item 151)	792
Canadian film or video production tax credit refund from Form T1131 (item 152)	796
Film or video production services tax credit refund from Form T1177 (item 153)	797
Tax withheld at source (item 154)	800
Total payments on which tax has been withheld (item 154)	801
Allowable refund for non-resident-owned investment corporations from Schedule 26 (item 155)	804
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812
Royalties deduc. under Syncrude Remis. Order (item 158)	815
Tax remitted under Syncrude Remission Order (item 158)	816
Tax instalments paid (item 159)	840

Total credits 890 Y 938,380 B

Refund code

(item 160) 894 1

Overpayment

(Item 163)

Z

Balance (line A minus line B)

<NIL>

Direct Deposit Request (item 164)

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

☐ Start ☐ Change information 910

Branch number

914 918

Institution number

Account number

If the result is negative, you have an overpayment.

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

Enter the amount on whichever line applies.

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

Balance unpaid (item 163)

Z

Enclosed payment

(item 162)

898

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? (item 161). . . . 896

1 Yes ☐ 2 No ☒

Certification (item 165)

I, 950 GELDERT

Last name in block letters

951 J WILLIAM

First name in block letters

954 CHIEF FINANCIAL OFFI

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 30/06/2004

Date (dd/mm/yyyy)

Signature of an authorized signing officer of the corporation

956 9058710330

Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes ☐ 2 No ☒

958 GLEN KING

Name in block letters

959 9058710330

Telephone number

Language of correspondence - Langue de correspondance (item 166)

990 Please indicate the language of your choice.

Indiquer la langue de correspondance de votre choix.

1 English/Anglais ☒

2 Francais/French ☐

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Net income (loss) after taxes and extraordinary items per financial statements

2,333,778 A

Add:

Provision for income taxes - current	101	792,604
Provision for income taxes - deferred	102	294,044
Interest and penalties on taxes	103	7,411
Amortization of tangible assets	104	2,863,181
Amortization of natural resource assets	105	
Amortization of intangible assets	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes - joint ventures or partnerships	109	2,686
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	2,141
Charitable donations from Schedule 2	112	1,028
Taxable capital gains from Schedule 6	113	
Political donations	114	
Holdbacks	115	
Deferred and prepaid expenses	116	
Depreciation in inventory - end of year	117	
Scientific research expenditures deducted per financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expenses	121	17,383
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves deducted in prior year from Schedule 13	125	167,985
Reserves from financial statements - balance at the end of the year	126	964,827
Soft costs on construction and renovation of buildings	127	
Total of fields 201 to 294 on page 2	199	929,093
Total of fields 101 to 199	500	6,042,383

Y 6,042,383

Deduct:

Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83 from Schedule 3	402	
Capital cost allowance from Schedule 8	403	2,812,607
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	2,902
Allowable business investment loss - Schedule 6	406	
Foreign non-business tax deduction under subsection 20(12)	407	
Holdbacks	408	
Deferred and prepaid expenses	409	
Depreciation in inventory - end of prior year	410	
Scientific research expenses claimed in year from Form T661	411	
Tax reserves claimed in current year from Schedule 13	413	222,247
Reserves from financial statements - balance at the beginning of the year	414	339,760
Patronage dividends from Schedule 16	416	
Contributions to deferred income plans from Schedule 15	417	
Total of fields 300 to 394 on page 3	499	783,440
Total of fields 401 to 499	510	4,160,956

Y 4,160,956

Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return

4,215,205

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	
Other additions:		
600 LARGE CORP TAX DEDUCTED FOR ACCOUNTING	290	96,742
601 DEFERRED GST ITCS	291	689,778
602 AMORTIZATION OF DEFERRED FINANCING	292	13,345
603 AMORTIZATION OF DEFERRED LEASE COSTS	293	129,228
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		929,093

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	34,654
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700 ALLOW FOR FUNDS USED DURING CONSTRUCTION	390	17,697
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	341,290
702 PORT COLBOURNE OPERATING LEASE COSTS	392	239,054
703 DEFERRED FINANCING COSTS	393	96,058
704 DEFERRED DE-REGULATION COSTS EXP FOR TAX	394	54,687
Total of fields 300 to 394 (enter this amount at line 499 on page 1)		783,440

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

D For use by corporations to claim any of the following:

- Charitable donations;
- Gifts to Canada or a province (see reverse);
- Gifts of certified cultural property (see reverse); or
- Gifts of certified ecologically sensitive land (see reverse).

D The donations and gifts are eligible for a five year carry-forward.

D Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal **Income Tax Act (Canada)**.

D File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

D For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Charitable donations

Charitable donations at end of preceding taxation year				A
Deduct: Donations expired after 5 taxation years	239			
Charitable donations at beginning of taxation year	240			
Add:				
Donations transferred on amalgamation or wind-up of subsidiary	250		B	
Total current year charitable donations made	210	1,028	C	
Subtotal: Amount B plus amount C		1,028	Y	D
Total donations available		1,028		E
Deduct: Amount applied against taxable income: (enter amount from line S)	260	1,028		F
Charitable donations closing balance	280			G

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * multiplied by 75%		3,161,404	H
Taxable capital gains arising in respect of gifts of capital property	225		I
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227		J
Add the lesser of:			
1) The amount of the recapture of capital cost allowance in respect of charitable gifts	230		K
2) The lesser of:			
i) Proceeds of dispositions less outlays and expenses		L	
ii) The capital cost		M	
The lesser of amounts L and M	235		N
The lesser of amounts K and N			O
Subtotal: Amount I plus amount J plus amount O			Y
Amount P multiplied by 25%			P
Maximum deduction allowable: (amount H plus amount Q)		3,161,404	R
Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes)		1,028	S

(Enter amount S on line 311 on page 3 of the T2 return)

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2003/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 3 - Gifts to Canada or province

Gifts to Canada or a province at the end of the preceding taxation year	_____
Deduct: Gifts to Canada or a province expired after 5 taxation years	339
Gifts to Canada or a province at the beginning of the taxation year	340
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350
Total current year gifts made to Canada or a province *	310
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 312 on page 3 of the T2 return)	360
Gifts to Canada or a province closing balance	380

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	_____
Deduct: Gifts of certified cultural property expired after 5 taxation years	439
Gifts of certified cultural property at the beginning of the taxation year	440
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450
Total current year gifts of certified cultural property	410
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 313 on page 3 of the T2 return)	460
Gifts of certified cultural property closing balance	480

Part 5 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	_____
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550
Total current year gifts of certified ecologically sensitive land	510
Subtotal	_____
Deduct: Amount applied against taxable income (enter this amount on line 314 on page 3 of the T2 return)	560
Gifts of certified ecologically sensitive land closing balance	580

Part 6 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Canada or a province	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
<u>1999/12/31</u>	_____	_____	_____	_____
<u>2000/12/31</u>	_____	_____	_____	_____
<u>2001/12/31</u>	_____	_____	_____	_____
<u>2002/12/31</u>	_____	_____	_____	_____
<u>2003/12/31</u>	_____	_____	_____	_____

Totals

_____	_____	_____	_____
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Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Part 7 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998				<NIL>	
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003		1,028	1,028		<NIL>
Total		1,028	1,028		<NIL>

Part 8 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 9 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 10 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

Charitable Donations

SCHEDULE 2 - Federal Supplement

Name of Recipient (for donations of \$100 or more)	Registration Number	Amount
CANADA SAFETY COUNCIL	118828565	250
UNITED WAY OF GREATER FORT ERIE		778
Total donations of less than \$100 each		
Sub-Total		1,028

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0001		Taxation Year End	Year Month Day 2003/12/31
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D

For use by a corporation to determine the continuity and use of available losses; to determine the current year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carry-back to prior years.

D

The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.

D

For detailed description and calculation of these losses, see IT-232, *Losses-Deductibility in the Loss Year or in Other Years*. For information on these losses, see the *T2 Corporation Income Tax Guide*.

D

File one completed copy of this schedule with the T2 return, or forward it by itself to the tax center where the return is filed.

D

Parts, sections, subsections and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 - Non-Capital Losses

Determination of current year non-capital loss

Net income (loss) for income tax purposes		\$	<u>4,215,205</u>
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares-Paragraph 110(1)(d.2)			
	Subtotal - if positive, enter "0"		
Deduct: (increase a loss)			
Section 110.5 - Addition for foreign tax deductions			
	Subtotal		
Add: (decrease a loss)			
Current year farm loss			
Current year non-capital loss (if positive, enter "0")		\$	

Continuity of non-capital losses and request for carry-back

Non-capital loss at the end of preceding taxation year	\$	<u>688,576</u>
Deduct:		
Non-capital loss expired after seven taxation years	100	
Non-capital losses at the beginning of taxation year	102	<u>688,576</u>
Add:		
Non-capital losses transferred on amalgamation or wind-up of subsidiary	105	
Current year non-capital loss (from calculation above)	110	\$ <u>688,576</u>
Deduct:		
Amount applied against taxable income (enter on line 331 of the T2 return)	130	<u>688,576</u>
Amount applied against taxable dividends subject to Part IV tax	135	
Section 80 Adjustments for forgiven amounts	140	
Other adjustments	150	<u>688,576</u>
	Subtotal	
Deduct - Request to carry back non-capital loss to:		
First preceding taxation year to reduce taxable income	901	
Second preceding taxation year to reduce taxable income	902	
Third preceding taxation year to reduce taxable income	903	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	912	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	
Non-capital losses - Closing balance (if negative, enter zero)	180	\$ <u></u>

Election under paragraph 88(1.1)(f)

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Part 2 - Capital Losses

Continuity of capital losses and request for carry-back

Capital losses at end of preceding taxation year	200	\$	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205		
Current year capital loss (from Schedule 6 calculation)	210		\$
Add:			
Allowable business investment loss expired as non-capital loss		\$	x 4/3
	220		
		Subtotal	
Deduct:			
Amount applied against current year capital gain	225		
Section 80 adjustment for forgiven amounts	240		
Other adjustments	250		
		Subtotal	
Deduct - Request to carry back capital loss to: (see note 2)			
First preceding taxation year	951		
Second preceding taxation year	952		
Third preceding taxation year	953		
Capital losses - closing balance	280	\$	

Note 1: On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate(see Schedule 6.)

Note 2: Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm Losses

Continuity of farm losses and request for carry-back

Farm losses at end of preceding taxation year		\$	
Deduct:			
Farm loss expired after ten taxation years	300		
Farm losses at beginning of taxation year	302		
Farm losses transfer on amalgamation or wind-up of subsidiary	305		
Current year farm loss	310		\$
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 adjustment for forgiven amounts	340		
Other adjustments	350		
		Subtotal	
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - closing balance	380	\$	

Part 4 - Restricted Farm Losses

Current year restricted farm loss

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Part 4 - Restricted Farm Losses (continued)

Continuity of restricted farm losses and request for carry-back

Restricted farm losses at end of preceding taxation year	\$	
Deduct: Restricted farm loss expired after ten taxation years	400	
Restricted farm losses at beginning of taxation year	402	
Add:		
Restricted farm losses transferred on amalgamation or wind-up of subsidiary	405	
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	\$
Deduct:		
Amount applied against farming income (enter on line 333 of the T2 return)	430	
Section 80 Adjustments for forgiven amounts	440	
Other adjustments	450	
	Subtotal	
Deduct - Request to carry back restricted farm loss to:		
First preceding taxation year to reduce farming income	941	
Second preceding taxation year to reduce farming income	942	
Third preceding taxation year to reduce farming income	943	
Restricted farm losses - closing balance	480	\$

Note: The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed Personal Property Losses

Continuity of listed personal property loss and request for carry-back

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

Part 6 - Analysis of Balance of Losses by Year of Origin

Year of origin	Non-capital losses \$	Farm losses \$	Restricted farm losses \$	Listed personal property losses \$
2003/12/31				
2002/12/31				
2001/12/31				
2000/12/31				
1999/12/31				
1998/12/31				
1997/12/31				
1996/12/31				
1995/12/31				
1994/12/31				
Total				

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2003/12/31
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Part 7 - Limited Partnership Losses

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

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending YYYY/MM/DD	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Total of corporation's share of partnership investment tax credit, business or property losses and resource expenses	Columns 4 - 5 If negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6
630	632	634	636	638		650

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Limited partnership losses at end of preceding taxation year	Limited partnership losses transfer on amalgamation or wind-up of subsidiary	Current year limited partnership losses (from column 620)	Limited partnership losses applied (cannot exceed column 650)	Limited partnership losses closing balance (662+664+670-675)
660	662	664	670	675	680

Total (enter this amount on line 335 of the T2 return)

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

Continuity of Losses Carried Forward

SCHEDULE 4 - Federal Supplement

Capital losses - gross amount

Balance - beginning of year

Losses carried forward from previous years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1993					
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1998					
31/12/1999	85,387				
31/12/2000	36,894				
31/12/2001	223,925				
31/12/2002	342,370				
Total	688,576	<NIL>	<NIL>	<NIL>	<NIL>

Continuity of losses

	Non-Capital Losses	Capital losses (gross amount)	Farm Losses	Restricted Farm Losses	Listed Property
Balance - beginning of year	688,576				
Additions:					
Current year losses					
Losses from pred. companies					
Sub-Total	688,576				
Less: Utilized during year					
- to reduce taxable income	688,576				
- to reduce part IV tax					
Expired during the year					
Less: Carried back					
- to reduce taxable income					
- to reduce part IV tax					
Sub-Total	688,576				
Balance - end of year	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Losses carried forward to future years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
31/12/1994					
31/12/1995					
31/12/1996					
31/12/1997					
31/12/1998					
31/12/1999					
31/12/2000					
31/12/2001					
31/12/2002					
31/12/2003					
Total	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use)	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5)	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount)	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		37,437,227	3,487,362			40,924,589	1,743,681	39,180,908	4.0	1,567,236	39,357,353
2		3,024,578				3,024,578		3,024,578	6.0	181,475	2,843,103
8		960,292	53,822			1,014,114	26,911	987,203	20.0	197,441	816,673
10		1,290,991	545,527		1,870	1,834,648	271,829	1,562,819	30.0	468,846	1,365,802
12		254,779	285,661			540,440	142,831	397,609	100.	397,609	142,831
Total		42,967,867	4,372,372		1,870	47,338,369	2,185,252	45,153,117		2,812,607	44,525,762

- Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).
- Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.
- Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.
- Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8SUM - Federal

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

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

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	42967.867	4.372.372		1.870	47338.369	2.185.252	45153.117
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			2.812.607	44525.762			
10.1							
13							
14							
Total			2.812.607				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture

Terminal loss

CCA Claimed

2.812.607

(Schedule 1 Line 107)

(Schedule 1 Line 404)

(Schedule 1 Line 403)

RELATED AND ASSOCIATED CORPORATIONS

(1998 and later taxation years)

SCHEDULE 9

Name of Corporation	Business Number		Taxation Year End	Year Month Day		
				2003	12	31
CANADIAN NIAGARA POWER INC.	872498225	RC 0001				

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

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

Name	Country of residence (other than Canada)	Business number (Note 1)	Relationship code (Note 2)	No. of common shares owned	% of common shares owned	Number of pfd shares owned	% of pfd shares owned	Book value of capital stock
100	200	300	400	500	550	600	650	700
FORTISONTARIO INC	CA	100768985	1					
1161557 ONTARIO LIMI	CA	893291740	3					
FORTIS INC	CA	101852416	3					
FORTIS ENERGY CORP	CA	103864443	3					
NEWFOUNDLAND POWER I	CA	103864831	3					
MARITIME ELECTRIC CO	CA	121119879	3					
FORTIS ENERGY CAYMAN	KY		3					
BELIZE ELECTRICITY L	BZ		3					
FORTIS ENERGY (BERMU	BM		3					
FORTIS PROPERTIES CO	CA	896932449	3					
FORTIS CAYMAN INC	KY		3					
NEWFOUNDLAND ENERGY	KY		3					
MARITIME ELECTRIC CA	KY		3					
CENTRAL NEWFOUNDLAND	CA	883689010	3					
BELIZE ELECTRIC COMP	BZ		3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Name of Corporation		Business Number		Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.		872498225 RC 0001			2003	12	31

For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
A separate cumulative eligible capital account must be kept for each business.
This form applies to taxation years that end after February 27, 2000.

PART 1 - CALCULATION OF CURRENT YEAR DEDUCTION AND CARRY-FORWARD

Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter "0")..... **200** 41,452 **A**

Add:

Cost of eligible capital property acquired during the taxation year **222** **B**

Amount transferred on amalgamation or wind-up of subsidiary **224** **C**

Other adjustments **226** **D**

(Add amounts B, C, and D) x 3/4 = **E**

Subtotal (amount A plus amount E) **230** 41,452 **F**

Deduct:

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year **242** **G**

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) **244** **H**

Other adjustments **246** **I**

(Add amounts G, H, and I) x 3/4 = **248** **J**

Cumulative eligible capital balance (amount F minus amount J) 41,452 **K**

(if amount K is negative, enter "0" at line M and proceed to Part 2)

Current year deduction amount K 41,452 x 7% = **250** 2,902 **L**

(deduct amount L at line 405 of Schedule 1)

Cumulative eligible capital - closing balance **300** 38,550 **M**

(amount K minus amount L) (if negative, enter "0")

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

PART 2 - AMOUNT TO BE INCLUDED IN INCOME ARISING FROM DISPOSITION

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

Amount from line K above (show as a positive amount) **N**

Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 **400** **1**

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7) **401** **2**

Total of cumulative eligible capital deductions claimed for taxation years commencing before July 1, 1988 **402** **3**

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 **408** **4**

Line 3 **minus** line 4 **5**

Total of line 1, 2, and 5 **6**

Line T from Schedule 10 of previous taxation years ending after February 27, 2000 **409** **7**

Line 6 **minus** line 7 **O**

Line N **minus** line O (cannot be negative) **P**

Amount on line 5 x 1/2 **Q**

Line P **minus** line Q **R**

Amount on line R x 2/3 * **S**

Lesser of line N or line O **T**

Amount to be included in income on line 108 of Schedule 1, line S **plus** line T **410**

* For taxation years ending after February 27, 2000 and before October 18, 2000, use the fraction 8/9 to calculate line S.
For taxation years ending before February 28, 2000, no reduction can be claimed, use the fraction 1/1 to calculate line S.

Page 1 of 1 T2 SCH 10 (01)CT09

CONTINUITY OF RESERVES
(1998 and later taxation years)

SCHEDULE 13

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 167,985		54,262	135	140 222,247
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 167,985	<NIL>	54,262	275 <NIL>	280 222,247

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

]

This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.

Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	FORTISONTARIO I	1130 BERTIE STREET FORT ERIE ON L2A5Y2			605,000		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
- 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I . . .	101	<u>3,321,631</u>
Capital stock (or members' contributions if incorporated without share capital)	103	<u>23,900,000</u>
Retained earnings	104	<u>4,020,043</u>
Contributed surplus	105	<u> </u>
Any other surpluses	106	<u> </u>
Deferred unrealized foreign exchange gains	107	<u> </u>
All loans and advances to the corporation	108	<u>447,397</u>
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	<u>30,000,000</u>
Any dividends declared but not paid by the corporation before the end of the year	110	<u> </u>
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	<u> </u>
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	<u> </u>
	Subtotal	<u><u>61,689,071</u></u>

Y 61,689,071 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	<u> </u>
Any deficit deducted in computing the shareholders' equity	122	<u> </u>
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	<u> </u>
The amount of deferred unrealized foreign exchange losses	124	<u> </u>
	Subtotal	<u><u> </u></u>

Y B

Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 61,689,071

- Note:**
- Lines 101, 107, 108, 109, 111, and 112 are determined as follows:
- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
 - Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
 - Amounts at these lines apply to partnerships in the same way that they apply to corporations.
 - The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	5,025,910
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	5,025,910

Note:

- Where the corporation has an interest in a partnership, the carrying value at the end of the taxation year, of that interest is deemed to be equal to that proportion of the total of the carrying value of each asset of the partnership described in 401 to 405 above, at the end of its last fiscal period ending at or before the end of the year, that the corporation's share of the partnership's income or loss is of the partnership's income or loss for that period.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).
- Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)	61,689,071	C
Deduct: Investment allowance for the year (line 490)	5,025,910	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 56,663,161	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	56,663,161	x	Taxable income earned in Canada	610	3,525,601	=	Taxable capital employed in Canada	690	56,663,161
			Taxable income		3,525,601				

Notes:

- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
- Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
- In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total deductions (add lines 711, 712, and 713) Y _____ E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	
----------------------------------------------------------------------------------------------	------------	--

Note: Complete line 713 only if the country in which the corporation is resident imposed neither a capital tax for the year on similar assets, nor a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies) 56,663,161

Deduct: Capital deduction claimed for the year (enter \$10,000,000 (\$50,000,000 for taxation years ending after 2003) or, for related corporations, the amount allocated on Schedule 36) **801**

Excess of taxable capital employed in Canada over capital deduction **811** 56,663,161

Gross Part I.3 Tax

Year	Line 811		Number of days		Number of days in the taxation year			
Before 2004	<u>56,663,161</u>	X	<u>365</u>	/	<u>365</u>	X	0.2250% =	<u>127,492</u> 1
2004	<u>56,663,161</u>	X	_____	/	<u>365</u>	X	0.2000% =	_____ 2
2005	<u>56,663,161</u>	X	_____	/	<u>365</u>	X	0.1750% =	_____ 3
Total Gross Part I.3 Tax (add lines 1, 2, and 3)								<u>127,492</u> <u>127,492</u> F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 127,492 x Number of days in the year (365) = _____ G

365

Gross Part I.3 tax (amount F or G, whichever applies) **820** 127,492

* For calendar year 2004 the rate is reduced to 0.0020, prorated for straddle years.

Part 6 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return 39,487

b) line 700 from the T2 return 850,375 H

In any other case, the lesser of c and d below:

c) line 600 from the T2 return 39,487 x $\frac{\text{line 690 of this schedule } 56,663,161}{\text{line 500 of this schedule } 56,663,161}$ = 39,487

d) line 700 from the T2 return 850,375 39,487 I

Current-year surtax credit available (amount H or I, whichever applies) **830** 39,487

Part 7 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830) 39,487

Taxable capital employed in Canada (line 690 or 790, whichever applies) 56,663,161

Deduct: Capital deduction claimed for the year _____

Excess of taxable capital employed in Canada over capital deduction 56,663,161 a

Less: Gross Part I.3 tax

Line a 56,663,161 X 0.2250% = 127,492 127,492 b

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount b 127,492 x $\frac{\text{Number of days in the year } 365}{365}$ = _____ c

Current-year unused surtax credit (if negative, enter "0") **850** _____

Enter this amount at line 600 on Schedule 37

- For the purposes of the calculation of current-year unused surtax credit, the calculation is performed on a capital deduction based on \$10 millions and a specified percentage of 0.225%.

AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX
(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000** among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2003	

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter 'NR')	Allocation of capital deduction for the year \$	Taxation year to which this agreement applies* (YYYY /MM /DD)
200	300	400	500
1. CANADIAN NIAGARA POWER INC.	872498225		
2. FORTIS PROPERTIES CORP	896932449	10,000,000	
3.			
4. FOR A COMPLETE COMPANY LIST FOR THE	101852416		
5. CAPITAL DEDUCTION AGREEMENT, REFER TO THE	101852416		
6. ATTACHED SUPPLEMENTARY SCHEDULE 36	101852416		
7.			
8.			
9.			
10.			
11.			
12.			
13.			
Total (not to exceed \$10,000,000**)		10,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

** \$50,000,000 for taxation years ending after 2003.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	31/12/2003

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.			
2.			
3.			to (362)

Corporation's share of gross revenue:

Corporation's own gross revenue 52,638,811

ADD:

1.		0
2.		0
3.		0

Total gross revenue of corporation & partnerships to (480) 52,638,811

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.			
2.			
3.			to (400)

Bonds & securities - Gov't/Municipality/School District:

1.			
2.			
3.			to (401)

Bonds & debentures of other corporations:

1.			
2.			
3.			to (402)

Mortgages due from other corporations:

1.			
2.			
3.			to (403)

Shares in other corporations:

1.	INVESTMENT IN SUBS	5,025,910	
2.			
3.			to (404)

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.			
2.			
3.			to (405)

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.			
2.			
3.			to (406)

Shares of partnership(s) or joint venture(s) eligible investments:

1.			
2.			
3.			to (407)

LOANS AND ADVANCES:

From corporations or government			
From shareholders or related persons			
From SEE ATTACHED SCHEDULE	30,671,491		
From			to (353)
			<u>30,671,491</u>

2004 CNPI T2 FEDERAL TAX RETURN

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation - Income Tax Guide*(T4012).

You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) (item 11) 001 872498225 R C 0002

Corporation's name (Item 12)

002 CANADIAN NIAGARA POWER INC.

Has the corporation changed its name since the last time we were notified? 003 1 Yes 2 No

If Yes, do you have a copy of the articles of amendment? 004 1 Yes 2 No

Address of head office (item 13)

Has the address changed since the last time we were notified? 010 1 Yes 2 No

011 1130 BERTIE STREET

012

City

015 FORT ERIE

Province, territory or state

016 ON

Country (other than Canada)

017 CA

Postal code / ZIP code

018 L2A5Y2

To which taxation year does this return apply? (item 17)

Taxation year start

060 2004/01/01

Taxation year-end

061 2004/12/31

YYYY MM DD

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes 2 No

If yes, provide the date control was acquired 065

YYYY MM DD

Mailing address (If different from head office address) (item 14)

Has the address changed since the last time we were notified? 020 1 Yes 2 No

021 c/o

022

023

City

025

Province, territory or state

026

Country (other than Canada)

027

Postal code / ZIP code

028

Location of books and records (item 15)

Has the location of books and records changed since the last time we were notified? 030 1 Yes 2 No

031 1130 BERTIE STREET

032

City

035 FORT ERIE

Province, territory or state

036 ON

Country (other than Canada)

037 CA

Postal code / ZIP code

038 L2A5Y2

040 Type of corporation at the end of the taxation year (item 16)

1 Canadian-controlled private corporation (CCPC) 4 Corporation controlled by a public corporation

2 Other private corporation 5 Other corporation (specify, below)

3 Public corporation

Controlled by public

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

YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 1 Yes 2 No

Is this the first year of filing after:

Incorporation? (item 19) 070 1 Yes 2 No

Amalgamation? (item 20) 071 1 Yes 2 No

If Yes, complete and attach Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year? (item 21). 072 1 Yes 2 No

If Yes, complete and attach Schedule 24

Is this the final taxation year before amalgamation? (item 22). 076 1 Yes 2 No

Is this the final return up to dissolution? (item 23). 078 1 Yes 2 No

Is the corporation a resident of Canada? (item 24)

080 1 Yes 2 No If No, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24). 082 1 Yes 2 No

If Yes, complete and attach Schedule 91

If the corporation is exempt from tax under section 149 tick one of the following boxes: (item 25)

085 1 Exempt under paragraph 149(1)(e) or (l)

2 Exempt under paragraph 149(1)(j)

3 Exempt under paragraph 149(1)(t)

4 Exempt under other paragraphs of section 149

Page 1 of 8

No longer required by the CRA. Submit the RSI forms only.

CT11

Attachments

* We do not print these schedules.

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141.

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

Guide item	Yes	No	Schedule
27 Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28 Does the corporation have any non-resident shareholders?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	19
29 Is the corporation an associated Canadian-controlled private corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30 Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32 Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11
33 If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34 Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35 Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15
37 Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38 Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5013
40 Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41 Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42 Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43 Has the corporation had any non-arm's length transactions with a non-resident?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47 Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year? . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
46 For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50
55 Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81 Has the corporation made any charitable donations, gifts to Canada, a province or territory, or gifts of cultural or ecological property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2
82,104 Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76 Is the corporation claiming any type of losses?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4
132 Is the corp. claiming prov. or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56 Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
103 (i) Is the corporation claiming the small business deduction and reporting income from:(a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57 Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58 Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10
59 Does the corporation have any resource-related deductions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60 Is the corporation claiming reserves of any kind?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13
61 Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62 Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17
150 Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
131 Was the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
118 Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits? . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	21
155 Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
111 Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27
121 Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63 Is the corporation claiming any scientific research and experimental development expenditures?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T661
124 Is the corporation subject to gross Part I.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
124 Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	36
124 Is the corporation claiming a surtax credit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	37
128 Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	38
128 Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	42
129 Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	43
129 Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	45
125 Is the corporation subject to Part II - Tobacco Manufacturers' surtax ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
128 For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	39
152 Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131
153 Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
130 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*

Attachments - continued from page 2

Guide item		Yes	No	Sched.
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	258	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	259	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	260	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
-- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
-- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
-- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) (item 49)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
What is the corporation's major business activity? (item 50) 282 <u>ELECTRICAL ENERGY</u>				
(Only complete if Yes was entered at line 281.)				
If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) 283 1 Wholesale <input type="checkbox"/> 2 Retail <input type="checkbox"/>				
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)	284	<u>ELECTRICAL ENERGY</u>	285	<u>100.00</u> %
	286		287	%
	288		289	%
Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL (item 77)	300	<u>1,937,334</u>		A
Deduct: Charitable donations from Schedule 2 (item 78)	311	<u>410</u>		
Gifts to Canada, a province or a territory from Schedule 2 (item 79)	312			
Cultural gifts from Schedule 2 (item 80)	313			
Ecological gifts from Schedule 2 (item 81)	314			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320			
Part VI.1 tax deduction from Schedule 43 (item 83)*	325			
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331			
Net-capital losses of preceding taxation years from Schedule 4 (item 85)	332			
Restricted farm losses of preceding taxation years from Schedule 4 (item 86)	333			
Farm losses of preceding taxation years from Schedule 4 (item 87)	334			
Limited partnership losses of preceding taxation years from Schedule 4 (item 88) .	335			
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340			
Prospector's and grubstaker's shares (item 90)	350			
Subtotal		<u>410</u>	Y	<u>410</u> B
Subtotal (amount A minus amount B)(if negative, enter "0")		<u>1,936,924</u>		C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions(item 91)	355			D
Taxable income (amount C plus amount D) (item 92)	360	<u>1,936,924</u>		
Income exempt under paragraph 149(1)(t) (item 93)	370			
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)		<u>1,936,924</u>		Z

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95) **400** A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96) **405** 1,936,924 B

Calculation of the business limit: (Item 97)

For all CCPCs, calculate the amount at line 4 below.

250,000 x $\frac{\text{Number of days in the taxation year in 2004}}{\text{Number of days in the taxation year}}$ = $\frac{366}{366}$ 3

Add amounts at line 1, 2, 3 and 3.1 4

Business limit (see note 1 and 2 below) **410** C

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

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

Business limit reduction: (item 98)

Amount C x **415** *** $\frac{127,492 \text{ D}}{11,250}$ = E

Reduced business limit (amount C minus amount E) (if negative, enter "0") **425** F

Small business deduction - 16% of whichever amount is least: A, B, C, or F **430** <NIL> G
(enter amount G on line 9 on page 7.)

- * Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.
- *** **Large corporation tax**
- * The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).
- * If the corporation is not associated with any corporation in both the current and preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- * If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding year, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- * For corporations associated in the current taxation year, see Schedule 23 for special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425) x $\frac{300,000}{\text{line 4 above}}$ = A

Net active business income (amount from line 400) * B

Taxable income from line 360 on page 3 **minus** 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96) C

Deduct:

Aggregate investment income (amount from line 440 of page 6) D

Amount C minus amount D (if negative, enter "0") Y E

Amounts A, B, or E above, whichever is less. F

Amount Z from Part 9 of Schedule 27 x 100/7 = G

Amount QQ from Part 13 of Schedule 27 H

Taxable resource income from line 435 of page 5 I

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

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less. K

Total of amounts G, H, I, J, and K Y L

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

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7) N

- * If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Resource deduction (item 100)

Taxable resource income (as defined in subsection 125.11(1))			435	A
Amount A	x	Number of days in the taxation year in 2003	X 1% =	B
		Number of days in the taxation year	366	
Amount A	x	Number of days in the taxation year in 2004	X 2% =	C
		Number of days in the taxation year	366	
Amount A	x	Number of days in the taxation year in 2005	X 3% =	C.1
		Number of days in the taxation year	366	
Amount A	x	Number of days in the taxation year in 2006	X 5% =	C.2
		Number of days in the taxation year	366	
Resource deduction - amount B plus C plus C.1 plus C.2 (enter amount D on line 10 of page 7)			438	D

General tax reduction for Canadian-controlled private corporations (item 101)

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3				E
Amount Z from Part 9 of Schedule 27	x 100/7 =		F	
Amount QQ from Part 13 of Schedule 27			G	
Taxable resource income from line 435 above			H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			I	
Amount on line 400, 405, 410 or 425 on page 4, whichever is less			J	
Aggregate investment income from line 440 on page 6			K	
Amount used to calculate the accelerated tax reduction (amount M on page 4)			L	
Total of amounts F, G, H, I, J, K, and L			Y	M
Amount E minus amount M (if negative, enter "0")				N
Amount N	x	Number of days in the taxation year in 2002	X 3% =	O
		Number of days in the taxation year	366	
Amount N	x	Number of days in the taxation year in 2003	X 5% =	P
		Number of days in the taxation year	366	
Amount N	x	Number of days in the taxation year after 2003	X 7% =	Q
		Number of days in the taxation year	366	
General tax reduction for Canadian-controlled private corporations - Total of amounts O, P and Q (enter amount R on line 638 of page 7)				R

General tax reduction (item 102)

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

Taxable income from line 360 on page 3			1,936,924	S
Amount Z from Part 9 of Schedule 27	x 100/7 =		T	
Amount QQ from Part 13 of Schedule 27			U	
Taxable resource income from line 435 above			V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			W	
Total of amounts T, U, V, and W			Y	X
Amount S minus amount X (if negative, enter "0")			1,936,924	Y
Amount Y 1,936,924	x	Number of days in the taxation year in 2002	X 3% =	Z
		Number of days in the taxation year	366	
Amount Y 1,936,924	x	Number of days in the taxation year in 2003	X 5% =	AA
		Number of days in the taxation year	366	
Amount Y 1,936,924	x	Number of days in the taxation year after 2003	X 7% =	BB
		Number of days in the taxation year	366	
General tax reduction - Total of amounts Z, AA and BB (enter amount CC on line 639 of page 7)			135,585	CC

No longer required by the CRA. Submit the RSI forms only.

Refundable portion of Part I tax (item 103)
Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % = **B**
(Amount O from Part 1 of Schedule 7) (if negative, enter "0")

Amount A minus amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3 **1,936,924**

Deduct:

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

Foreign non-business income tax

credit from line 632 on page 7 X 25/9

Foreign business income tax

credit from line 636 on page 7 X 3*

Y

1,936,924 X 26 2/3 % = **516,513** **D**

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) **428,448**

Deduct: Corporate surtax from line 600 of page 7 **21,694**

Net amount **406,754** Y **406,754** **E**

Refundable portion of Part I tax - Amount C, D or E, whichever is less **450** **<NIL>** **F**

* For taxation years ending before 2003, "3" is replaced by 10/4.

Refundable dividend tax on hand (item 104)

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

Deduct: Dividend refund for the previous taxation year **465**

Y **A**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Y **B**

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B **485** **<NIL>**

Dividend refund (item 105)
Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **A**

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

Dividend refund - Amount A or B, whichever is less (enter this amount on line 784 of page 8)

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106)	550	736,031	A
Corporate surtax calculation (item 107)			
Base amount from line A above	736,031	1	
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	193,692	2	
Investment corporation deduction from line 620 below		3	
Federal logging tax credit from line 640 below		4	
Federal qualifying environmental trust tax credit from line 648 below		5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:			
28% of taxable income from line 360 on page 3 542,339 a			
28% of taxed capital gains b		6	
Part I tax otherwise payable (line A plus lines C and D minus line F) 406,754 c			
Total of lines 2 to 6	193,692	7	
Net amount (line 1 minus line 7)	542,339	8	
Corporate surtax - 4% of the amount on line 8	600	21,694	B
Recapture of Investment tax credit from line PPP in Part 21 of Schedule 31 (item 108)	602		C
Aggregate investment income from line 440 on page 6		i	
Taxable income from line 360 on page 3	1,936,924		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less ...			
Net amount	1,936,924 Y	1,936,924	ii
Refundable tax on CCPC's Investment income - 6 ² / ₃ % of the lesser of amounts i or ii	604		D
Subtotal (add lines A, B, C, and D)		757,725	E
Deduct:			
Small business deduction from line 430 of page 4		9	
Federal tax abatement (item 110)	608	193,692	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632		
Federal foreign business income tax credit from Schedule 21 (item 115)	636		
Accelerated tax reduction from amount N of page 4 (item 116)	637		
Resource deduction from line 438 of page 5		10	
General tax reduction for CCPCs from amount R of page 5 (item 117)	638		
General tax reduction from amount CC of page 5 (item 117)	639	135,585	
Federal logging tax credit from Schedule 21 (item 118)	640		
Federal political contribution tax credit (item 119)	644		
Federal political contributions 646			
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subtotal	329,277 Y	329,277	F
Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 122)		428,448	G

No longer required by the CRA. Submit the RSI forms only.

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 123)	700	428,448
Part I.3 tax payable from Schedule 33, 34 or 35 (item 124)	704	103,813
Part II surtax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		532,261

Add provincial or territorial tax:

Provincial or territorial jurisdiction (item 132) 750 Ontario

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec, Ontario and Alberta) (item 133) ... 760

Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147) 765

Total tax payable 770 Y 532,261 A

Deduct other credits:

Investment tax credit refund from Schedule 31 (item 148)	780	
Dividend refund from page 6 (item 149)	784	
Federal capital gains refund from Schedule 18 (item 150)	788	
Federal qualifying environmental trust tax credit refund (item 151)	792	
Canadian film or video production tax credit refund from Form T1131 (item 152)	796	
Film or video production services tax credit refund from Form T1177 (item 153)	797	
Tax withheld at source (item 154)	800	
Total payments on which tax has been withheld (item 154)	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26 (item 155)	804	
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808	
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812	
Royalties deduc. under Syncrude Remis. Order (item 158)	815	
Tax remitted under Syncrude Remission Order (item 158)	816	
Tax instalments paid (item 159)	840	958,380
Total credits	890	958,380

Refund code

(item 160) 894 1

Overpayment

(Item 163) 426,119 Z

Total credits

Balance (line A minus line B) -426,119

Direct Deposit Request (item 164)

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

☐ Start ☐ Change information 910

Branch number

914 918

Institution number

Account number

If the result is negative, you have an overpayment.

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

Enter the amount on whichever line applies.

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

Balance unpaid (item 163) Z

Enclosed payment

(item 162) 898

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? (item 161) ... 896

1 Yes ☐ 2 No ☒

Certification (item 165)

I, 950 GLEN

Last name in block letters

951 KING

First name in block letters

954 CHIEF FINANCIAL OFFI

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2005/05/16

Date (yyyy/mm/dd)

Signature of an authorized signing officer of the corporation

956 (905) 871-0330

Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes ☒ 2 No ☐

958

Name in block letters

959

Telephone number

Language of correspondence - Langue de correspondance (item 166)

990 Please indicate the language of your choice.

Indiquer la langue de correspondance de votre choix.

1 English/Anglais ☒

2 Francais/French ☐

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2004/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Net income (loss) after taxes and extraordinary items per financial statements 1,978,508 A

Add:

Provision for income taxes - current	101	<u>782,076</u>	
Provision for income taxes - deferred	102	<u>44,970</u>	
Interest and penalties on taxes	103	<u>28,012</u>	
Amortization of tangible assets	104	<u>3,153,512</u>	
Amortization of natural resource assets	105		
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes - joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111	<u>11,503</u>	
Charitable donations from Schedule 2	112	<u>410</u>	
Taxable capital gains from Schedule 6	113		
Political donations	114		
Holdbacks	115		
Deferred and prepaid expenses	116		
Depreciation in inventory - end of year	117		
Scientific research expenditures deducted per financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expenses	121	<u>19,101</u>	
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year from Schedule 13	125	<u>222,247</u>	
Reserves from financial statements - balance at the end of the year	126	<u>1,007,079</u>	
Soft costs on construction and renovation of buildings	127		
Total of fields 201 to 294 on page 2	199	<u>199,011</u>	
Total of fields 101 to 199	500	<u>5,467,921</u>	Y <u>5,467,921</u>

Deduct:

Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83 from Schedule 3	402		
Capital cost allowance from Schedule 8	403	<u>3,304,403</u>	
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405	<u>10,891</u>	
Allowable business investment loss - Schedule 6	406		
Foreign non-business tax deduction under subsection 20(12)	407		
Holdbacks	408		
Deferred and prepaid expenses	409		
Depreciation in inventory - end of prior year	410		
Scientific research expenses claimed in year from Form T661	411		
Tax reserves claimed in current year from Schedule 13	413	<u>228,659</u>	
Reserves from financial statements - balance at the beginning of the year	414	<u>964,827</u>	
Patronage dividends from Schedule 16	416		
Contributions to deferred income plans from Schedule 15	417		
Total of fields 300 to 394 on page 3	499	<u>1,000,315</u>	
Total of fields 401 to 499	510	<u>5,509,095</u>	Y <u>5,509,095</u>

Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return 1,937,334

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rental, etc.		
- Non-deductible crown payments		
- Taxable portion of Alberta royalty tax credit and other rebates 12(1)(x.2)		
- Other		
Total	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements		
- for resource loss		
- others		
Total	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust		
per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	
Other additions:		
600 AMORTIZATION OF DEFERRED FINANCING	290	32,028
601 AMORTIZATION OF DEFERRED LEASE COSTS	291	112,296
602 DEFERRED DEREGULATION COSTS	292	54,687
603	293	
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		199,011

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700 ALLOW FOR FUNDS USED DURING CONSTRUCTION	390	62,828
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	836,429
702 PORT COLBOURNE OPERATING LEASE COSTS	392	5,000
703 DEFERRED FINANCING COSTS	393	96,058
704	394	

Total of fields 300 to 394 (enter this amount at line 499 on page 1) 1,000,315

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

D For use by corporations to claim any of the following:

- Charitable donations;
- Gifts to Canada or a province (see reverse);
- Gifts of certified cultural property (see reverse); or
- Gifts of certified ecologically sensitive land (see reverse).

D The donations and gifts are eligible for a five year carry-forward.

D Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal **Income Tax Act (Canada)**.

D File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

D For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Charitable donations

Charitable donations at end of preceding taxation year				A
Deduct: Donations expired after 5 taxation years	239			
Charitable donations at beginning of taxation year	240			
Add:				
Donations transferred on amalgamation or wind-up of subsidiary	250		B	
Total current year charitable donations made	210	410	C	
Subtotal: Amount B plus amount C		410	Y	D
Total donations available		410		E
Deduct: Amount applied against taxable income: (enter amount from line S)	260	410		F
Charitable donations closing balance	280			G

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * multiplied by 75%		1,453,001	H
Taxable capital gains arising in respect of gifts of capital property			
- per line 895 of schedule 6			
- Other			
Total	225		I
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227		J
Add the lesser of:			
1) The amount of the recapture of capital cost allowance in respect of charitable gifts	230		K
2) The lesser of:			
i) Proceeds of dispositions less outlays and expenses		L	
ii) The capital cost		M	
The lesser of amounts L and M	235		N
The lesser of amounts K and N			O
Subtotal: Amount I plus amount J plus amount O			Y
Amount P multiplied by 25%			P
Maximum deduction allowable: (amount H plus amount Q)		1,453,001	R
Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes)		410	S

(Enter amount S on line 311 on page 3 of the T2 return)

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2004/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

Part 3 - Gifts to Canada or province

Gifts to Canada or a province at the end of the preceding taxation year	
Deduct: Gifts to Canada or a province expired after 5 taxation years	339
Gifts to Canada or a province at the beginning of the taxation year	340
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350
Total current year gifts made to Canada or a province *	310
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 312 on page 3 of the T2 return)	360
Gifts to Canada or a province closing balance	380

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	
Deduct: Gifts of certified cultural property expired after 5 taxation years	439
Gifts of certified cultural property at the beginning of the taxation year	440
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450
Total current year gifts of certified cultural property	410
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 313 on page 3 of the T2 return)	460
Gifts of certified cultural property closing balance	480

Part 5 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550
Total current year gifts of certified ecologically sensitive land	510
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 314 on page 3 of the T2 return)	560
Gifts of certified ecologically sensitive land closing balance	580

Part 6 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Canada or a province	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
<u>2000/12/31</u>				
<u>2001/12/31</u>				
<u>2002/12/31</u>				
<u>2003/12/31</u>				
<u>2004/12/31</u>				

Totals

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Part 7 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31				<NIL>	
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31		410	410		<NIL>
Total		410	410		<NIL>

Part 8 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Part 9 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Part 10 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

Charitable Donations

SCHEDULE 2 - Federal Supplement

Name of Recipient (for donations of \$100 or more)	Registration Number	Amount
CANADA SAFETY COUNCIL	118828565	250
GANANOQUE SECONDARY SCHOOL		100
Total donations of less than \$100 each		60
Sub-Total		410

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		39,357,353	5,470,883	1,203,068	159	46,031,145	2,735,362	43,295,783	4.0	1,731,831	44,299,314
2		2,843,103				2,843,103		2,843,103	6.0	170,586	2,672,517
8		816,673	266,044	41,575	1,600	1,122,692	132,222	990,470	20.0	198,094	924,598
10		1,365,802	1,154,249	17,642	12,054	2,525,639	571,098	1,954,541	30.0	586,362	1,939,277
12		142,831	816,916	61,371		1,021,118	408,458	612,660	100.	612,660	408,458
3				97,396		97,396		97,396	5.0	4,870	92,526
Totals		44,525,762	7,708,092	1,421,052	13,813	53,641,093	3,847,140	49,793,953		3,304,403	50,336,690

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8SUM - Federal

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

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

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	44525.762	7.708.092	1.421.052	13.813	53641.093	3.847.140	49793.953
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			3.304.403	50336.690			
10.1							
13							
14							
Totals			3.304.403				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Totals							

Totals:

Recapture

Terminal loss

CCA Claimed

3.304.403

(Schedule 1 Line 107)

(Schedule 1 Line 404)

(Schedule 1 Line 403)

RELATED AND ASSOCIATED CORPORATIONS

SCHEDULE 9

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number		Taxation Year End	Year Month Day		
	872498225	RC 0002		2004	12	31

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

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

Name 100	Country of residence (other than Canada) 200	Business number (Canadian corp. only) (Note 1) 300	Relationship code (Note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
FORTISONTARIO INC	CA	100768985RC0001	1					
1161557 ONTARIO LIMITED	CA	893291740RC0001	3					
FORTIS INC	CA	101852416RC0001	3					
FORTIS ENERGY CORP	CA	103864443RC0001	3					
NEWFOUNDLAND POWER INC	CA	103864831RC0001	3					
MARITIME ELECTRIC CO LTD	CA	121119879RC0001	3					
FORTIS ENERGY CAYMAN INC	KY		3					
BELIZE ELECTRICITY LIMITE	BZ		3					
FORTIS ENERGY (BERMUDA)LI	BM		3					
FORTIS PROPERTIES CORP	CA	896932449RC0001	3					
FORTIS CAYMAN INC	KY		3					
NEWFOUNDLAND ENERGY CAYMA	KY		3					
MARITIME ELECTRIC CAYMAN	KY		3					
CENTRAL NEWFOUNDLAND ENER	CA	883689010RC0001	3					
BELIZE ELECTRIC COMPANY L	BZ		3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Page 1 of 2

T2 SCH 9 (99)

RELATED AND ASSOCIATED CORPORATIONS

SCHEDULE 9

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number		Taxation Year End	Year Month Day		
	872498225	RC 0002		2004	12	31

Name 100	Country of residence (other than Canada) 200	Business number (Canadian corp. only) (Note 1) 300	Relationship code (Note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
FORTIS ENERGY INTERNATION	BZ		3					
FORTISUS ENERGY CORP	US		3					
CANADIAN NIAGARA POWER IN	CA	872498225RC0001	3					
CANADIAN NIAGARA ENERGY I	CA	865416655RC0001	3					
CORNWALL STREET RAILWAY L	CA	120906839RC0001	3					
11164 NEWFOUNDLAND INC	CA	864189089RC0001	3					
FORTIS WEST INC	CA	874708209RC0001	3					
GANANOQUE WATER POWER COM	CA	105214068RC0001	3					
FORTISONTARIO GENERATION	CA	869175679RC0001	3					
FORTIS ALBERTA HOLDINGS	CA	869210203RC0001	3					
FORTIS PACIFIC HOLDINGS	CA	871709101RC0001	3					
FORTISALBERTA INC	CA	869294520RC0001	3					
FORTISBC INC	CA	105645642RC0001	3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2004/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
A separate cumulative eligible capital account must be kept for each business.

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

Cumulative eligible capital - Balance at end of preceding taxation year (if negative, enter "0")	200	38,550	A
Add: Cost of eligible capital property acquired during the taxation year	222	156,053	
Other adjustments	226		
Subtotal (line 222 plus line 226)		156,053 x 0.75 =	117,040 B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002.	228		
		x 0.50 =	C
amount B minus amount C (if negative, enter "0")		117,040	117,040 D
Amount transferred on amalgamation or wind-up subsidiary		224	E
Subtotal (add amount A, D and E)	230	155,590	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(Add amounts G, H, and I)		x 0.75 =	248 J
Cumulative eligible capital balance (amount F minus amount J) (if amount K is negative, enter "0" at line M and proceed to Part 2)			155,590 K
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249		
amount K		155,590	
less amount from line 249			
Current year deduction		155,590 x 7.00 =	250 10,891
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		10,891	10,891 L
Cumulative eligible capital - Closing balance (amount K minus amount L)(if negative, enter "0")	300	144,699	M
Note: You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.			

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

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

Amount from line K (show as a positive amount)			N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400	1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80 (7)	401	2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402	3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408	4	
Line 3 minus line 4 (if negative, enter "0")		5	
Total of line 1, 2, and 5		6	
Amount included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400		7	
Amount at line T from Schedule 10 ending after February 27, 2000		8	
Subtotal (line 7 plus line 8)	409	9	
Line 6 minus line 9 (if negative, enter "0")			O
Line N minus line O (if negative, enter "0")			P
line 5		x 0.50 =	Q
Line P minus line Q (if negative, enter "0")			R
Amount R		x 0.67 =	S
Amount N or amount O, whichever is less			T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410		

CONTINUITY OF RESERVES
(1998 and later taxation years)

SCHEDULE 13

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 222,247		6,412	135	140 228,659
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 222,247	<NIL>	6,412	275 <NIL>	280 228,659

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

-]

This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
-]

Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	FORTISONTARIO I	1130 BERTIE STREET FORT ERIE ON L2A5Y2			432,622		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

FIRST TIME FILER AFTER INCORPORATION, AMALGAMATION, OR WINDING-UP A SUBSIDIARY INTO A PARENT

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

This schedule must be filed by corporations for the first year of filing after incorporation, amalgamation, or by parent corporations filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act* during the current taxation year.

Part 1-Type of operation

100 For those corporations filing for the first time after incorporation or amalgamation, please identify the type of operation that applies to your corporation:

- | | |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <input type="checkbox"/> 00 Not applicable | <input type="checkbox"/> 10 Mutual fund corporation |
| <input type="checkbox"/> 01 Crown corporation that is an agent of Her Majesty | <input type="checkbox"/> 11 Mortgage investment corporation |
| <input type="checkbox"/> 02 Life insurance corporation | <input type="checkbox"/> 12 Traveling corporation |
| <input type="checkbox"/> 03 Deposit insurance corporation | <input type="checkbox"/> 13 Subject corporation |
| <input type="checkbox"/> 04 General insurance corporation | <input type="checkbox"/> 14 Labour-sponsored venture capital corporation |
| <input type="checkbox"/> 05 Co-operative corporation | <input type="checkbox"/> 15 Investment corporations subject to Part IV tax |
| <input type="checkbox"/> 06 Credit union | <input type="checkbox"/> 16 Crown corporation that is not an agent of Her Majesty |
| <input type="checkbox"/> 07 Bank | <input type="checkbox"/> 17 Non-resident insurer exempt from Part XIII withholding tax |
| <input type="checkbox"/> 08 Non-resident owned investment corporation | <input checked="" type="checkbox"/> 99 Other-if none of the previous descriptions apply |
| <input type="checkbox"/> 09 Investment corporation | |

Part 2 - First year of filing after amalgamation

For the first year of filing after an amalgamation, please provide the following information:

Name of predecessor corporation(s)	Business Number (Canadian corporations only)
200	300
CANADIAN NIAGARA POWER INC	872498225 RC 0001
EASTERN ONTARIO POWER INC	897844122 RC 0001

Part 3 - First year of filing after wind-up of subsidiary corporation(s)

For the parent corporation filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act*, please provide the following information:

Name of subsidiary corporation(s)	Business Number (Canadian corporations only)	Commencement date of wind-up (YYYY/MM/DD)	Date of wind-up (YYYY/MM/DD)
400	500	600	700

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
- 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I . . .	101	4,223,040		
Capital stock (or members' contributions if incorporated without share capital)	103	23,900,000		
Retained earnings	104	5,998,551		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	631,945		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	30,000,000		
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111			
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses . . .	112			
	Subtotal	64,753,536	Y	64,753,536 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123			
The amount of deferred unrealized foreign exchange losses at the end of the year	124			
	Subtotal		Y	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	64,753,536		

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined under lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- Amounts owing to the member or to other corporations that are members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	

Note:

- Where the corporation has an interest in a partnership or tiered partnerships, consider the following:
 - the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
 - the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's taxation year; and
 - the carrying value of a partnership member's interest at the end of the year is its specified proportion (as defined in subsection 248(1)) of the partnership's investment allowance.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).
- Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)	64,753,536	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 64,753,536	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	64,753,536	x	Taxable income earned in Canada	610	1,936,924	=	Taxable capital employed in Canada	690	64,753,536
			Taxable income		1,936,924				

Notes:

- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
- Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
- In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total deductions (add lines 711, 712, and 713) **Y** E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	
----------------------------------------------------------------------------------------------	------------	--

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies) 64,753,536

Deduct: Capital deduction claimed for the year (enter \$10,000,000 (\$50,000,000 for taxation years ending after 2003) or, for related corporations, the amount allocated on Schedule 36) **801** 2,000,000

Excess of taxable capital employed in Canada over capital deduction **811** 62,753,536

Gross Part I.3 Tax

Year	Line 811		Number of days		Number of days in the taxation year				
Before 2004	<u>62,753,536</u>	X		/	<u>366</u>	X	0.2250% =		F
2004	<u>62,753,536</u>	X	<u>366</u>	/	<u>366</u>	X	0.2000% =	<u>125,507</u>	G
2005	<u>62,753,536</u>	X		/	<u>366</u>	X	0.1750% =		H
2006	<u>62,753,536</u>	X		/	<u>366</u>	X	0.1250% =		I
2007	<u>62,753,536</u>	X		/	<u>366</u>	X	0.0625% =		J
Total Gross Part I.3 Tax (F to J)								<u>125,507</u>	<u>125,507</u> K

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount K 125,507 x Number of days in the year (366) = L

365

Gross Part I.3 tax (amount F or G, whichever applies) **820** 125,507

Part 6 - Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies) 64,753,536 M

Deduct: Line 801 above 2,000,000 X 1/5 (for taxation years ending after 2003) = 400,000 N

Excess (amount M minus amount N)(if negative, enter "0") 64,353,536 O

Amount O 64,353,536 X 0.00225 = 144,795 P

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount P 144,795 x Number of days in the year 366 = Q

365

Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) **821** 144,795

Part 7 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount a or b at line R, whichever is less:

a) line 600 from the T2 return 21,694

b) line 700 from the T2 return 428,448 R

In any other case, enter amount c or d at line S, whichever is less:

c) line 600 from the T2 return 21,694 x $\frac{\text{line 690 of this schedule } 64,753,536}{\text{line 500 of this schedule } 64,753,536}$ = 21,694

d) line 700 from the T2 return 428,448 21,694 S

Current-year surtax credit available (amount R or S, whichever applies) **830** 21,694

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)	21,694
Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)	144,795
Current-year unused surtax credit (if negative, enter "0")	850
Enter this amount at line 600 on Schedule 37.	

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)	125,507	T
Deduct:		
Current-year surtax credit applied (line 820 or 830, whichever is less)	861 21,694	
Unused surtax credit from previous years applied	862	
Subtotal (cannot be more than amount on line 820)	21,694	Y 21,694 U
Net Part I.3 tax payable (amount T minus amount U)	870 103,813	
Enter this amount at line 704 of the T2 return		

T2 SCH 33 E (04)

AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004/12/31

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000** among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2004	

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter 'NR')	Allocation of capital deduction for the year \$	Taxation year to which this agreement applies* (YYYY /MM /DD)
200	300	400	500
1. CANADIAN NIAGARA POWER INC.	872498225RC 0002	2,000,000	
2. FORTIS PROPERTIES CORP	896932449RC 0001	10,000,000	
3. MARITIME ELECTRIC COMPANY	121119879RC 0001	7,000,000	
4. NEWFOUNDLAND POWER	103864831RC 0001	25,000,000	
5. CENTRAL NEWFOUNDLAND ENERGY	883689010RC 0001	1,000,000	
6. FORTISONTARIO INC	100768985RC 0001	1,000,000	
7. CORNWALL ELECTRIC	120906839RC 0001	1,000,000	
8. FORTIS INC	101852416RC 0001	3,000,000	
9.			
10.			
11. FOR A COMPLETE COMPANY LIST FO	101852416RC 0001		
12. CAPITAL DEDUCTION AGREEMENT,RE	101852416RC 0001		
13. ATTACHED SUPPLEMENTARY SCHEDUL	101852416RC 0001		
Total (not to exceed \$10,000,000**)		50,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

** \$50,000,000 for taxation years ending after 2003.

CALCULATION OF UNUSED SURTAX CREDIT

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2004/12/31
-----------------------------------------------------------	---------------------------------------------	-------------------------	-------------------------------------------

- Use this schedule to calculate a corporation's unused surtax credit.
- You should also use this schedule to request a carryback of unused surtax credit. This request should be filed by the required filing date of the T2 return for the year in which the surtax credit arose.
- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the *Income Tax Act* when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.
- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

Part 1 - Calculation of closing balance of unused surtax credit

Unused surtax credit at the end of the preceding taxation year		
Deduct: Unused surtax credit expired after seven taxation years	115	
Unused surtax credit at beginning of taxation year	120	
Add: Unused surtax credit transferred on amalgamation or wind-up of subsidiary	220	
	Subtotal	A
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies)	320	
Unused surtax credit balance		
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year (see line 887 of Schedule 38)	420	
	Subtotal	
Add: Current year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35)	600	
	Subtotal	
Deduct: Unused surtax credit carried back to preceding taxation year(s) (complete Part 2 below)		B
Closing balance of unused surtax credit	820	

Part 2 - Request for carryback of unused surtax credit

	Year Month Day	Part 1.3 Tax	Part VI Tax
1st preceding taxation year	<u>2003/12/31</u>	Credit to be applied 901	911
2nd preceding taxation year	<u>2002/12/31</u>	Credit to be applied 902	912
3rd preceding taxation year	<u>2001/12/31</u>	Credit to be applied 903	913
		Subtotal	C
			D
Total of C and D (enter this amount at line B in Part 1 above)			

-]

For use by corporations which have remitted instalment payments for the taxation year of the return being filed.
-]

The use of this schedule will assist the department in processing your return.
-]

Use the statements of account balance (Part 2 of Form T9) received from the department to prepare this schedule.

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0002		Taxation Year End	Year Month Day 2004/12/31
Name of corporation contact (for department enquiries)				Telephone Number	
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)			Amount of Credit	
	TOTAL INSTALLMENTS			958,380	
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)			(A)	958,380	
Total instalments credited to the taxation year, per last T9 statement of account balance			(B)		

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective interest date of the transfer will be the date of assessment.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	31/12/2004

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (362) _____

Corporation's share of gross revenue:

Corporation's own gross revenue 58,302,560

ADD:

1.	_____	0
2.	_____	0
3.	_____	0

Total gross revenue of corporation & partnerships to (480) 58,302,560

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (400) _____

Bonds & securities - Gov't/Municipality/School District:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (401) _____

Bonds & debentures of other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (402) _____

Mortgages due from other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (403) _____

Shares in other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (404) _____

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (405) _____

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (406) _____

Shares of partnership(s) or joint venture(s) eligible investments:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (407) _____

LOANS AND ADVANCES:

From corporations or government

From shareholders or related persons

From SEE ATTACHED SCHEDULE 30,631,945

From _____ to (353) 30,631,945

2005 CNPI T2 FEDERAL TAX RETURN

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the *T2 Corporation - Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax center. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start".

055 Do not use this area

Identification

Business Number (BN) **001 872498225 R C 0002**

Corporation's name

002 CANADIAN NIAGARA POWER INC.

Has the corporation changed its name since the last time we were notified? **003** 1 Yes ☐ 2 No ☒

If Yes, do you have a copy of the articles of amendment? **004** 1 Yes ☐ 2 No ☐

Address of head office

Has the address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒

011 1130 BERTIE STREET

012

City **015 FORT ERIE** Province, territory, or state **016 ON**

Country (other than Canada) **017 CA** Postal code/Zip code **018 L2A5Y2**

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? **020** 1 Yes ☐ 2 No ☒

021 c/o
022
023

City **025** Province, territory, or state **026**

Country (other than Canada) **027** Postal code/Zip code **028**

Location of books and records

Has the location of books and records changed since the last time we were notified? **030** 1 Yes ☐ 2 No ☒

031 1130 BERTIE STREET

032

City **035 FORT ERIE** Province, territory, or state **036 ON**

Country (other than Canada) **037 CA** Postal code/Zip code **038 L2A5Y2**

040 Type of corporation at the end of the taxation year

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

3 ☐ Public corporation **Controlled by public**

If the type of corporation changed during the taxation year, provide the effective date of the change **043** YYYY MM DD

To which taxation year does this return apply?

Taxation year start **060 2005/01/01** Taxation year-end **061 2005/12/31**
YYYY MM DD YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☐ 2 No ☒

If Yes, provide the date control was acquired **065** YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership?

..... **067** 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? **070** 1 Yes ☐ 2 No ☒
Amalgamation? **071** 1 Yes ☐ 2 No ☒

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

Has there been a windup of a subsidiary under section 88 during the current taxation year?

..... **072** 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24.

Is this the final taxation year before amalgamation?

..... **076** 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution?

..... **078** 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐

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

081

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

..... **082** 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91.

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

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

No longer required by the CRA. Submit the RSI forms only.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Attachments

Financial statement information: Use GIF1 schedules 100, 125, and 141.

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

Is the corporation related to any other corporations?	150	<input checked="" type="checkbox"/>	9
Does the corporation have any non-resident shareholders?	151	<input type="checkbox"/>	19
Is the corporation an associated Canadian-controlled private corporation?	160	<input type="checkbox"/>	23
Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161	<input type="checkbox"/>	49
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	<input type="checkbox"/>	11
If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	<input type="checkbox"/>	22
Did the corporation have any foreign affiliates during the year?	169	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170	<input type="checkbox"/>	29
Has the corporation had any non-arm's length transactions with a non-resident?	171	<input type="checkbox"/>	T106
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	<input type="checkbox"/>	—
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	<input type="checkbox"/>	50
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts to Canada, a province or a territory; or gifts of cultural or ecological property?	202	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	204	<input checked="" type="checkbox"/>	4
Is the corp. claiming a prov. or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? ...	205	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	208	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	210	<input checked="" type="checkbox"/>	10
Does the corporation have any resource-related deductions?	212	<input type="checkbox"/>	12
Is the corporation claiming reserves of any kind?	213	<input checked="" type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	216	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	218	<input type="checkbox"/>	18
Was the corporation carrying on business in Canada as a non-resident corporation?	220	<input type="checkbox"/>	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221	<input type="checkbox"/>	21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	<input type="checkbox"/>	26*
Does the corporation have any Canadian manufacturing and processing profits?	227	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	231	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	<input type="checkbox"/>	T661
Is the corporation subject to gross Part I.3 tax?	233	<input checked="" type="checkbox"/>	33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	<input checked="" type="checkbox"/>	36
Is the corporation claiming a surtax credit?	237	<input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	242	<input type="checkbox"/>	42
Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	<input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax ?	249	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	254	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax?	255	<input type="checkbox"/>	92*

* We do not print these schedules.

Attachments - continued from page 2

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

Additional information

Is the corporation inactive? **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? **282** ELECTRICAL ENERGY
(Only complete if Yes was entered at line 281)

If the major business activity involves the resale of goods, show whether it is wholesale or retail **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284 <u>ELECTRICAL ENERGY</u>	285 <u>100.00</u> %
286 _____	287 _____%
288 _____	289 _____%

Did the corporation immigrate to Canada during the taxation year? **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? **292** 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL **300** -91,038 A

Deduct: Charitable donations from Schedule 2 **311** _____

Gifts to Canada, a province, or a territory from Schedule 2 **312** _____

Cultural gifts from Schedule 2 **313** _____

Ecological gifts from Schedule 2 **314** _____

Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 **320** _____

Part VI.1 tax deduction from Schedule 43* **325** _____

Non-capital losses of preceding taxation years from Schedule 4 **331** _____

Net capital losses of preceding taxation years from Schedule 4 **332** _____

Restricted farm losses of preceding taxation years from Schedule 4 **333** _____

Farm losses of preceding taxation years from Schedule 4 **334** _____

Limited partnership losses of preceding taxation years from Schedule 4 **335** _____

Taxable capital gains or taxable dividends allocated from a central credit union **340** _____

Prospector's and grubstaker's shares **350** _____

Subtotal Y _____ B

Subtotal (amount A minus amount B)(if negative, enter "0") _____ C

Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions **355** _____ D

Taxable income (amount C plus amount D) **360** _____

Income exempt under paragraph 149(1)(t) **370** _____

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) _____ Z

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

No longer required by the CRA. Submit the RSI forms only.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Small business deduction

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

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

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

300,000 x	Number of days in the taxation year after 2004	=	365	3.1
	Number of days in the taxation year		365	
	Add amounts at line 1, 2, 3, and 3.1		4	
Business limit (see notes 1 and 2 below)			410	C

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

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

Business limit reduction:

Amount C	x	415 ***	144,795 D	=		E
			11,250			
Reduced business limit (amount C minus amount E) (if negative, enter "0")			425			F
Small business deduction - 16% of whichever amount is least: A, B, C, or F			430		<NIL>	G

(enter amount G on line 9 of page 7)

- * Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** Large corporation tax

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada **minus** \$10,000,000).
- If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

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

Reduced business limit (amount from line 425)	x	300,000	=		A
		line 4 above			
Net active business income (amount from line 400) *					B
Taxable income from line 360 on page 3 minus 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax					C
Deduct:					
Aggregate investment income (amount from line 440 of page 6)			D		
Amount C minus amount D (if negative, enter "0")			Y		E
Amounts A, B, or E above, whichever is less					F
Amount Z from Part 9 of Schedule 27	x 100/7 =		G		
Amount QQ from Part 13 of Schedule 27			H		
Taxable resource income from line 435 of page 5			I		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			J		
Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less			K		
Total of amounts G, H, I, J, and K			Y		L
Amount F minus amount L (if negative, enter "0")					M
Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7)					N

- * If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)]		435	A
Amount A	x Number of days in the taxation year in 2004	X 2% =	B
	Number of days in the taxation year	365	
Amount A	x Number of days in the taxation year in 2005	X 3% =	C
	Number of days in the taxation year	365	
Amount A	x Number of days in the taxation year in 2006	X 5% =	D
	Number of days in the taxation year	365	
Amount A	x Number of days after 2006	X 7% =	E
	Number of days in the taxation year	365	
Resource deduction - total of amounts B, C, D, and E		438	F
(enter amount F on line 10 of page 7)			

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3			A
Amount Z from Part 9 of Schedule 27	x 100/7 =		B
Amount QQ from Part 13 of Schedule 27			C
Taxable resource income from line 435 above			D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E
Amount on line 400, 405, 410, or 425 on page 4, whichever is less			F
Aggregate investment income from line 440 of page 6			G
Amount used to calculate the accelerated tax reduction (amount M of page 4)			H
Total of amounts B, C, D, E, F, G, and H		Y	I
Amount A minus amount I (if negative, enter "0")			J
Amount N	x Number of days in the taxation year in 2002	X 3% =	K
	Number of days in the taxation year	365	
Amount N	x Number of days in the taxation year in 2003	X 5% =	L
	Number of days in the taxation year	365	
Amount N	x Number of days in the taxation year after 2003	X 7% =	M
	Number of days in the taxation year	365	
General tax reduction for Canadian-controlled private corporations - total of amounts K, L, and M			N
(enter amount N on line 638 of page 7)			

General tax reduction

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

Taxable income from line 360 on page 3			O
Amount Z from Part 9 of Schedule 27	x 100/7 =		P
Amount QQ from Part 13 of Schedule 27			Q
Taxable resource income from line 435 above			R
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			S
Total of amounts P, Q, R, and S		Y	T
Amount O minus amount T (if negative, enter "0")			U
Amount U	x Number of days in the taxation year in 2002	X 3% =	V
	Number of days in the taxation year	365	
Amount U	x Number of days in the taxation year in 2003	X 5% =	W
	Number of days in the taxation year	365	
Amount U	x Number of days in the taxation year after 2003	X 7% =	X
	Number of days in the taxation year	365	
General tax reduction - total of amounts V, W, and X			Y
(enter amount Y on line 639 of page 7)			

No longer required by the CRA. Submit the RSI forms only.

Refundable portion of Part I tax
Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % =
(amount O from Part 1 of Schedule 7) (if negative, enter "0") **Y** **B**

Amount A **minus** amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3

Deduct:

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

Foreign non-business income tax

credit from line 632 of page 7 X 25/9

Foreign business income tax

credit from line 636 of page 7 X 3*

Y X 26 2/3 % = **D**

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

Deduct: Corporate surtax from line 600 of page 7

Net amount **Y** **E**

Refundable portion of Part I tax - Amount C, D, or E, whichever is the least **450** **<NIL>** **F**

* For taxation years ending before 2003, "3" is replaced by 10/4.

Refundable dividend tax on hand

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

Deduct: Dividend refund for the previous taxation year **465**

Y **G**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Y **H**

Refundable dividend tax on hand at the end of the taxation year - Amount G **plus** amount H **485** **<NIL>**

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **I**

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

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

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3	550	A
Corporate surtax calculation		
Base amount from line A above	1	
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	2	
Investment corporation deduction from line 620 below	3	
Federal logging tax credit from line 640 below	4	
Federal qualifying environmental trust tax credit from line 648 below	5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:		
28% of taxable income from line 360 of page 3	a	
28% of taxed capital gains	b	
Part I tax otherwise payable (line A plus lines C and D minus line F)	c	
Total of lines 2 to 6	7	
Net amount (line 1 minus line 7)	8	
Corporate surtax - 4% of the amount on line 8	600	<NIL> B
Recapture of investment tax credit from line PPP in Part 21 of Schedule 31	602	C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)		
Aggregate investment income from line 440 on page 6	i	
Taxable income from line 360 on page 3		
Deduct:		
Amount on lines 400, 405, 410, or 425 of page 4, whichever is the least	Y	
Net amount	ii	
Refundable tax on CCPC's investment income - 6 2/3 % of whichever is less: amount i or ii	604	D
Subtotal (add lines A, B, C, and D)		E
Deduct:		
Small business deduction from line 430 of page 4	9	
Federal tax abatement	608	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616	
Investment corporation deduction	620	
(taxed capital gains 624)		
Additional deduction - credit unions from Schedule 17	628	
Federal foreign non-business income tax credit from Schedule 21	632	
Federal foreign business income tax credit from Schedule 21	636	
Accelerated tax reduction from amount N of page 4	637	
Resource deduction from line 438 of page 5		10
General tax reduction for CCPCs from amount N of page 5	638	
General tax reduction from amount Y of page 5	639	
Federal logging tax credit from Schedule 21	640	
Federal political contribution tax credit	644	
Federal political contributions 646		
Federal qualifying environmental trust tax credit	648	
Investment tax credit from Schedule 31	652	
Subtotal	Y	F
Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8)	<NIL>	G

No longer required by the CRA. Submit the RSI forms only.

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	112,805
Part II surtax payable from Schedule 46	708	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		112,805

Add provincial or territorial tax:

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

Total tax payable 770 112,805 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from page 6	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund from Form T1131	796	
Film or video production services tax credit refund from Form T1177	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Royalties deduc. under Syncrude Remis. Order	815	
Tax remitted under Syncrude Remission Order	816	
Tax instalments paid	840	549,592

Total credits 890 549,592 Y 549,592 B

Refund code 894 1 Overpayment 436,787 Z Balance (line A minus line B) -436,787

Direct deposit request

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

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

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.
Balance unpaid Z

Enclosed payment 898

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896

1 Yes ☐ 2 No ☒

Certification

I, 950 GLEN Last name in block letters 951 KING First name in block letters

954 CHIEF FINANCIAL OFFICER Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2006/06/30 Date (yyyy/mm/dd) 956 (905) 871-0330 Telephone number

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

958 Name in block letters 959 Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language in which you would like to receive correspondence.
Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Francais/French ☐

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Net income (loss) after taxes and extraordinary items per financial statements

173,613 A

Add:

Provision for income taxes - current	101	77,315	
Provision for income taxes - deferred	102	557,264	
Interest and penalties on taxes	103		
Amortization of tangible assets	104	3,484,545	
Amortization of natural resource assets	105		
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes - joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111	117,432	
Charitable donations from Schedule 2	112		
Taxable capital gains from Schedule 6	113		
Political donations	114		
Holdbacks	115		
Deferred and prepaid expenses	116		
Depreciation in inventory - end of year	117		
Scientific research expenditures deducted per financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expenses	121	19,170	
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year from Schedule 13	125	228,659	
Reserves from financial statements - balance at the end of the year	126	822,221	
Soft costs on construction and renovation of buildings	127		
Total of fields 201 to 294 on page 2	199	97,247	
Total of fields 101 to 199	500	5,403,853	Y 5,403,853

Deduct:

Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83 from Schedule 3	402		
Capital cost allowance from Schedule 8	403	3,587,643	
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405	10,129	
Allowable business investment loss - Schedule 6	406		
Foreign non-business tax deduction under subsection 20(12)	407		
Holdbacks	408		
Deferred and prepaid expenses	409		
Depreciation in inventory - end of prior year	410		
Scientific research expenses claimed in year from Form T661	411		
Tax reserves claimed in current year from Schedule 13	413		
Reserves from financial statements - balance at the beginning of the year	414	1,007,079	
Patronage dividends from Schedule 16	416		
Contributions to deferred income plans from Schedule 15	417		
Total of fields 300 to 394 on page 3	499	1,063,653	
Total of fields 401 to 499	510	5,668,504	Y 5,668,504

Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return

-91,038

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rental, etc.		
- Non-deductible crown payments		
- Taxable portion of Alberta royalty tax credit and other rebates 12(1)(x.2)		
- Other		
Total	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements		
- for resource loss		
- others		
Total	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust		
per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	
Other additions:		
600 AMORTIZATION OF DEFERRED FINANCING	290	32,028
601 AMORTIZATION OF DEFERRED LEASE COSTS	291	58,219
602 ONTARIO APPRENTICE AND CO-OP TAX CREDITS	292	7,000
603	293	
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		97,247

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	
Accounts receivable and prepaid for cash basis - closing	301	
Accrual inventory - closing	302	
Accrued dividends - current year	303	
Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
Exempt income under section 81	307	
Income from international banking centres	308	
Mandatory inventory adjustment - included in prior year	309	
Contributions to qualifying environmental trust	310	
Non-Canadian advertising expenses - broadcasting	311	
Non-Canadian advertising expenses - printed materials	312	
Optional value of inventory - included in prior year	313	
Other income from financial statements	314	
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	

Resource deductions:

Canadian development expenses from Schedule 12	340	
Canadian exploration expenses from Schedule 12	341	
Canadian oil and gas property expenses from Schedule 12	342	
Deductible crown charges	343	
Depletion from Schedule 12	344	
Foreign exploration and development expenses from Schedule 12	345	
Resource allowance	346	

Other deductions:

700 ALLOW FOR FUNDS USED DURING CONSTRUCTION	390	18,305
701 CAPITALIZED GENERAL EXP DEDUCTED FOR TAX	391	949,290
702	392	
703 DEFERRED FINANCING COSTS	393	96,058
704	394	
Total of fields 300 to 394 (enter this amount at line 499 on page 1)		<u>1,063,653</u>



Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

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

Part 1 - Non-Capital Losses**Determination of current-year non-capital loss**

Net income (loss) for income tax purposes		\$	-91,038
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares-Paragraph 110(1)(d.2)			
	Subtotal (if positive, enter "0")		-91,038
Deduct: (increase a loss)			
Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions			
	Subtotal		-91,038
Add: (decrease a loss)			
Current-year farm loss			
Current-year non-capital loss (if positive, enter "0")		\$	-91,038

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year	\$		
Deduct: Non-capital loss expired *	100		
Non-capital losses at the beginning of taxation year	102		
Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110	91,038	\$ 91,038
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Section 80 - Adjustments for forgiven amounts	140		
Other adjustments	150		
	Subtotal		91,038
Deduct - Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901	91,038	
Second preceding taxation year to reduce taxable income	902		
Third preceding taxation year to reduce taxable income	903		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		
Second preceding taxation year to reduce taxation dividends subject to Part IV tax	912		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913		91,038
Non-capital losses - Closing balance	180	\$	

- * A non-capital loss expires as follows:
- ☐ After 7 taxation years if it arose in a taxation year ending before March 23, 2004;
- or
- ☐ After 10 taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Part 2 - Capital Losses

Continuity of capital losses and request for a carryback

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

Note 1: On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2: Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm Losses

Continuity of farm losses and request for a carryback

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

Part 4 - Restricted Farm Losses

Current-year restricted farm loss

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Part 4 - Restricted Farm Losses (continued)

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year	\$	
Deduct: Restricted farm loss expired after ten taxation years	400	
Restricted farm losses at beginning of taxation year	402	
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation	405	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	\$
Deduct:		
Amount applied against farming income (enter on line 333 of the T2 return)	430	
Section 80 - Adjustments for forgiven amounts	440	
Other adjustments	450	
Deduct - Request to carry back restricted farm loss to:		Subtotal
First preceding taxation year to reduce farming income	941	
Second preceding taxation year to reduce farming income	942	
Third preceding taxation year to reduce farming income	943	
Restricted farm losses - Closing balance	480	\$

Note: The total losses for the year from all farming businesses are calculated without including any scientific research expenses.

Part 5 - Listed Personal Property Losses

Continuity of listed personal property loss and request for a carryback

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

Part 6 - Analysis of Balance of Losses by Year of Origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
	\$	\$	\$	\$
2005/12/31				
2004/12/31				
2003/12/31				
2002/12/31				
2001/12/31				
2000/12/31				
1999/12/31				
1998/12/31				
1997/12/31				
1996/12/31				
Total				

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

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2005/12/31
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Part 7 - Limited Partnership Losses

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

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Columns 4 minus column 5 If negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 650
630	632	634	636	638		
1.						
2.						
3.						
4.						
5.						

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Limited partnership losses at end of preceding taxation year	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary	Current-year limited partnership losses (from column 620)	Limited partnership losses applied (cannot exceed column 650)	Limited partnership losses closing balance (662+664+670-675) 680
660	662	664	670	675	
1.					
2.					
3.					
4.					
5.					
Total (enter this amount on line 335 of the T2 return)					

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005/12/31

Continuity of Losses Carried Forward

SCHEDULE 4 - Federal Supplement

Capital losses - gross amount

Balance - beginning of year

Losses carried forward from previous years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
1995/12/31	N/A	N/A			
1996/12/31	N/A	N/A			
1997/12/31	N/A	N/A			
1998/12/31					
1999/12/31					
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
2004/12/31					
Total	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Continuity of losses

	Non-Capital Losses	Capital losses (gross amount)	Farm Losses	Restricted Farm Losses	Listed Property
Balance - beginning of year					
Additions:					
Current year losses	91,038				
Losses from pred. companies					
Sub-Total	91,038				
Less: Utilized during year					
- to reduce taxable income					
- to reduce part IV tax					
Expired during the year					
Less: Carried back					
- to reduce taxable income	91,038				
- to reduce part IV tax					
Sub-Total	91,038				
Balance - end of year	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Losses carried forward to future years:

Year of Origin	Non-Capital Losses	Non-Capital Losses from Pred. Co's	Net-Capital Losses from Listed Property	Farm Losses	Restricted Farm Losses
1996/12/31	N/A	N/A			
1997/12/31	N/A	N/A			
1998/12/31	N/A	N/A			
1999/12/31					
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
2004/12/31					
2005/12/31					
Total	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use)	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5)	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount)	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	See note 1 below 203	205	207		See note 2 below 211		212	See note 3 below 217	220
1		44,299,314	521,606			44,820,920	260,803	44,560,117	4.0	1,782,405	43,038,515
2		2,672,517				2,672,517		2,672,517	6.0	160,351	2,512,166
8		924,598	210,246			1,134,844	105,123	1,029,721	20.0	205,944	928,900
10		1,939,277	107,051		7,566	2,038,762	49,743	1,989,019	30.0	596,706	1,442,056
12		408,458	342,118			750,576	171,059	579,517	100.	579,517	171,059
3		92,526				92,526		92,526	5.0	4,626	87,900
1.1			5,027,411			5,027,411	2,513,706	2,513,705	8.0	201,096	4,826,315
45			253,325			253,325	126,663	126,662	45.0	56,998	196,327
Totals		50,336,690	6,461,757		7,566	56,790,881	3,227,097	53,563,784		3,587,643	53,203,238

- Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2).
- Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.
- Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.
- Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

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

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	50336.690	6.461.757		7.566	56790.881	3.227.097	53563.784
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			3.587.643	53203.238			
10.1							
13							
14							
Totals			3.587.643				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Totals							

Totals:

Recapture

Terminal loss

CCA Claimed

3.587.643

(Schedule 1 Line 107)

(Schedule 1 Line 404)

(Schedule 1 Line 403)

RELATED AND ASSOCIATED CORPORATIONS

SCHEDULE 9

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number		Taxation Year End	Year Month Day		
	872498225	RC 0002		2005	12	31

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

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

Name 100	Country of residence (other than Canada) 200	Business number (Canadian corp. only) (Note 1) 300	Relationship code (Note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
FORTISONTARIO INC	CA	100768985RC0001	1					
1161557 ONTARIO LIMITED	CA	893291740RC0001	3					
FORTIS INC	CA	101852416RC0001	3					
FORTIS ENERGY CORP	CA	103864443RC0001	3					
NEWFOUNDLAND POWER INC	CA	103864831RC0001	3					
MARITIME ELECTRIC CO LTD	CA	121119879RC0001	3					
FORTIS ENERGY CAYMAN INC	KY		3					
BELIZE ELECTRICITY LIMITE	BZ		3					
FORTIS ENERGY (BERMUDA)LI	BM		3					
FORTIS PROPERTIES CORP	CA	896932449RC0001	3					
FORTIS CAYMAN INC	KY		3					
NEWFOUNDLAND ENERGY CAYMA	KY		3					
MARITIME ELECTRIC CAYMAN	KY		3					
CENTRAL NEWFOUNDLAND ENER	CA	883689010RC0001	3					
BELIZE ELECTRIC COMPANY L	BZ		3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Page 1 of 2 T2 SCH 9 (99)

RELATED AND ASSOCIATED CORPORATIONS

SCHEDULE 9

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number		Taxation Year End	Year Month Day		
	872498225	RC 0002		2005	12	31

Name 100	Country of residence (other than Canada) 200	Business number (Canadian corp. only) (Note 1) 300	Relationship code (Note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
FORTIS ENERGY INTERNATIONAL	BZ		3					
FORTISUS ENERGY CORP	US		3					
CANADIAN NIAGARA POWER IN	CA	872498225RC0001	3					
FORTISBC INC	CA	105645642RC0001	3					
CORNWALL STREET RAILWAY L	CA	120906839RC0001	3					
11164 NEWFOUNDLAND INC	CA	864189089RC0001	3					
FORTIS WEST INC	CA	874708209RC0001	3					
GANANOQUE WATER POWER COM	CA	105214068RC0001	3					
FORTISONTARIO GENERATION	CA	869175679RC0001	3					
FORTIS ALBERTA HOLDINGS	CA	869210203RC0001	3					
FORTIS PACIFIC HOLDINGS	CA	871709101RC0001	3					
FORTISALBERTA INC	CA	869294520RC0001	3					
FOR A COMPLETE LIST	CA	101852416RC0001	3					
REFER TO SCHED 9 OF	CA	101852416RC0001	3					
FORTIS INC	CA	101852416RC0001	3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End	Year Month Day 2005/12/31
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For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
A separate cumulative eligible capital account must be kept for each business.

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

Cumulative eligible capital - Balance at end of preceding taxation year (if negative, enter "0")	200	144,699	A
Add: Cost of eligible capital property acquired during the taxation year	222		
Other adjustments	226		
Subtotal (line 222 plus line 226)		x 0.75	=
			B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002.	228	x 0.50	=
			C
amount B minus amount C (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up subsidiary	224		E
Subtotal (add amounts A, D, and E)	230	144,699	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(add amounts G, H, and I)		x 0.75	=
			J
Cumulative eligible capital balance (amount F minus amount J) (if amount K is negative, enter "0" at line M and proceed to Part 2)		144,699	K
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249		
amount K	144,699		
less amount from line 249			
Current year deduction	144,699	x 7.00	=
			10,129
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		10,129	10,129
			L
Cumulative eligible capital - Closing balance (amount K minus amount L) (if negative, enter "0")	300	134,570	M
Note: You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.			

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

(complete this part only if the amount at line K is negative)

Amount from line K (show as a positive amount)			N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400		1
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401		2
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402		3
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408		4
Line 3 minus line 4 (if negative, enter "0")			5
Total of lines 1, 2, and 5			6
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400			7
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000			8
Subtotal (line 7 plus line 8)	409		9
Line 6 minus line 9 (if negative, enter "0")			O
Line N minus line O (if negative, enter "0")			P
Line 5		x 0.50	=
			Q
Line P minus line Q (if negative, enter "0")			R
Amount R		x 0.67	=
			S
Amount N or amount O, whichever is less			T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410		

CONTINUITY OF RESERVES

(1998 and later taxation years)

SCHEDULE 13

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.

References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.

File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.

For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Balance at the end of the year \$
001	002			003	004
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Totals	008 <NIL>	<NIL>	<NIL>	009 <NIL>	010 <NIL>

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Part 2 - Other reserves

Description	Balance at the beginning of the year \$	Decreases during the year \$	Increases during the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110			115	120
Reserve for undelivered goods and services not rendered	130 228,659	228,659		135	140
Reserve for prepaid rent	150			155	160
Reserve for December 31, 1995 income	170			175	180
Reserve for returnable containers	190			195	200
Reserve for unpaid amounts	210			215	220
Other tax reserves	230			235	240
Totals	270 228,659	228,659	<NIL>	275 <NIL>	280 <NIL>

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
- 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I . . .	101	4,809,804
Capital stock (or members' contributions if incorporated without share capital)	103	23,900,000
Retained earnings	104	6,172,164
Contributed surplus	105	
Any other surpluses	106	
Deferred unrealized foreign exchange gains	107	
All loans and advances to the corporation	108	577,928
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	30,000,000
Any dividends declared but not paid by the corporation before the end of the year	110	
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses . . .	112	

Subtotal 65,459,896 Y 65,459,896 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	
The amount of deferred unrealized foreign exchange losses at the end of the year	124	

Subtotal Y B

Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 65,459,896

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined under lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- Amounts owing to the member or to other corporations that are members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	

Note:

- Where the corporation has an interest in a partnership or tiered partnerships, consider the following:
 - the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
 - the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's taxation year; and
 - the carrying value of a partnership member's interest at the end of the year is its specified proportion (as defined in subsection 248(1)) of the partnership's investment allowance.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).
- Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)	65,459,896	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 65,459,896	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	65,459,896	x	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	65,459,896
			Taxable income		1,000				

Notes:

- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
- Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
- In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total deductions (add lines 711, 712, and 713) **Y** E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	
----------------------------------------------------------------------------------------------	------------	--

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies) 65,459,896

Deduct: Capital deduction claimed for the year (enter \$10,000,000 (\$50,000,000 for taxation years ending after 2003) or, for related corporations, the amount allocated on Schedule 36) **801** 1,000,000

Excess of taxable capital employed in Canada over capital deduction **811** 64,459,896

Gross Part I.3 Tax

Year	Line 811		Number of days		Number of days in the taxation year				
Before 2004	<u>64,459,896</u>	X		/	<u>365</u>	X	0.2250% =		F
2004	<u>64,459,896</u>	X		/	<u>365</u>	X	0.2000% =		G
2005	<u>64,459,896</u>	X	<u>365</u>	/	<u>365</u>	X	0.1750% =	<u>112,805</u>	H
2006	<u>64,459,896</u>	X		/	<u>365</u>	X	0.1250% =		I
2007	<u>64,459,896</u>	X		/	<u>365</u>	X	0.0625% =		J
Total Gross Part I.3 Tax (F to J)								<u>112,805</u>	<u>112,805</u> K

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount K 112,805 x Number of days in the year (365) = L

365

Gross Part I.3 tax (amount F or G, whichever applies) **820** 112,805

Part 6 - Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies) 65,459,896 M

Deduct: Line 801 above 1,000,000 X 1/5 (for taxation years ending after 2003) = 200,000 N

Excess (amount M minus amount N)(if negative, enter "0") 65,259,896 O

Amount O 65,259,896 X 0.00225 = 146,835 P

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount P 146,835 X Number of days in the year 365 = Q

365

Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) **821** 146,835

Part 7 - Calculation of current-year surtax credit available

-] Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
-] Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
-] Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount a or b at line R, whichever is less:

a) line 600 from the T2 return

b) line 700 from the T2 return R

In any other case, enter amount c or d at line S, whichever is less:

c) line 600 from the T2 return x $\frac{\text{line 690 of this schedule } 65,459,896}{\text{line 500 of this schedule } 65,459,896}$ =

d) line 700 from the T2 return S

Current-year surtax credit available (amount R or S, whichever applies) **830**

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)

Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821) 146,835

Current-year unused surtax credit (if negative, enter "0") **850**

Enter this amount at line 600 on Schedule 37.

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820) 112,805 T

Deduct:

Current-year surtax credit applied (line 820 or 830, whichever is less) **861**

Unused surtax credit from previous years applied **862**

Subtotal (cannot be more than amount on line 820) Y U

Net Part I.3 tax payable (amount T minus amount U) **870** 112,805

Enter this amount at line 704 of the T2 return

AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005/12/31

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000** among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2005	

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter 'NR')	Allocation of capital deduction for the year \$	Taxation year to which this agreement applies* (YYYY /MM /DD)
200	300	400	500
1. CANADIAN NIAGARA POWER INC.	872498225RC 0002	1,000,000	
2. FORTIS PROPERTIES CORP	896932449RC 0001	6,000,000	
3. MARITIME ELECTRIC COMPANY	121119879RC 0001	4,000,000	
4. NEWFOUNDLAND POWER	103864831RC 0001	12,000,000	
5. CENTRAL NEWFOUNDLAND ENERGY	883689010RC 0001	1,000,000	
6. FORTISONTARIO INC	100768985RC 0001		
7. CORNWALL ELECTRIC	120906839RC 0001		
8. FORTIS INC	101852416RC 0001	1,000,000	
9. FORTISALBERTA	869294520RC 0001	14,000,000	
10. FORTISBC	105645642RC 0001	11,000,000	
11. FOR A COMPLETE COMPANY LIST FO	101852416RC 0001		
12. CAPITAL DEDUCTION AGREEMENT,RE	101852416RC 0001		
13. ATTACHED SUPPLEMENTARY SCHEDUL	101852416RC 0001		
Total (not to exceed \$10,000,000**)		50,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

** \$50,000,000 for taxation years ending after 2003.

-]

For use by corporations which have remitted instalment payments for the taxation year of the return being filed.
-]

The use of this schedule will assist the department in processing your return.
-]

Use the statements of account balance (Part 2 of Form T9) received from the department to prepare this schedule.

Name of Corporation CANADIAN NIAGARA POWER INC.		Business Number 872498225 RC 0002		Taxation Year End	Year Month Day 2005/12/31
Name of corporation contact (for department enquiries)				Telephone Number	
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)			Amount of Credit	
	TOTAL INSTALLMENTS			549,592	
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)			(A)	549,592	
Total instalments credited to the taxation year, per last T9 statement of account balance			(B)		

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective interest date of the transfer will be the date of assessment.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	31/12/2005

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (362) _____

Corporation's share of gross revenue:

Corporation's own gross revenue 61,854,000

ADD:

1.	_____	0	
2.	_____	0	
3.	_____	0	

Total gross revenue of corporation & partnerships to (480) 61,854,000

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (400) _____

Bonds & securities - Gov't/Municipality/School District:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (401) _____

Bonds & debentures of other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (402) _____

Mortgages due from other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (403) _____

Shares in other corporations:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (404) _____

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (405) _____

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (406) _____

Shares of partnership(s) or joint venture(s) eligible investments:

1.	_____	_____	
2.	_____	_____	
3.	_____	_____	to (407) _____

LOANS AND ADVANCES:

From corporations or government	_____	
From shareholders or related persons	_____	
From SEE ATTACHED SCHEDULE	<u>30,577,928</u>	
From _____	_____	to (353) <u>30,577,928</u>

2003 EASTERN ONTARIO POWER T2 FEDERAL TAX RETURN

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation - Income Tax Guide*(T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information (GIFI)*, to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) (item 11) 001 897844122 R C 0001

Corporation's name (Item 12)

002 EASTERN ONTARIO POWER INC

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☒ 2 No ☐

If Yes, do you have a copy of the articles of amendment? 004 1 Yes ☒ 2 No ☐

Address of head office (item 13)

Has the address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

011 5 KING STREET EAST

012

City

015 GANANOQUE

Province, territory or state

016 ON

Country (other than Canada)

017 CA

Postal code / ZIP code

018 K7G2V1

Mailing address (If different from head office address) (item 14)

Has the address changed since the last time we were notified?

020 1 Yes ☒ 2 No ☐

021 c/o FORTISONTARIO INC

022 1130 BERTIE STREET

023

City

025 FORT ERIE

Province, territory or state

026 ON

Country (other than Canada)

027 CA

Postal code / ZIP code

028 L2A5Y2

Location of books and records (item 15)

031 5 KING STREET EAST

032

City

035 GANANOQUE

Province, territory or state

036 ON

Country (other than Canada)

037 CA

Postal code / ZIP code

038 K7G2V1

040 Type of corporation at the end of the taxation year (item 16)

1 ☐ Canadian-controlled private corporation (CCPC)

4 ☒ Corporation controlled by a public corporation

2 ☐ Other private corporation

5 ☐ Other corporation (specify, below)

3 ☐ Public corporation

Controlled by public

If the type of corporation changed during the taxation year, provide the effective date of the change 043 2003/04/02

YYYY MM DD

To which taxation year does this return apply? (item 17)

Taxation year start

060 2003/04/02

YYYY MM DD

Taxation year-end

061 2003/12/31

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired 065

YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? (item 19) 070 1 Yes ☐ 2 No ☒

Amalgamation? (item 20) 071 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year? (item 21). 072 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24

Is this the final taxation year before amalgamation? (item 22). 076 1 Yes ☒ 2 No ☐

Is this the final return up to dissolution? (item 23). 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada? (item 24)

080 1 Yes ☒ 2 No ☐ If No, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24). 082 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91

If the corporation is exempt from tax under section 149 tick one of the following boxes: (item 25)

085 1 ☐ Exempt under 149(1)(e) or (l)

2 ☐ Exempt under 149(1)(j)

3 ☐ Exempt under 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091

092

093

094

095

096

097

Page 1 of 8

No longer required by the CCRA. Submit the RSI forms only.

CT09

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Attachments

* We do not print these schedules.

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141.

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

Guide item	Yes	No	Schedule
27 Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
28 Does the corporation have any non-resident shareholders?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	19
29 Is the corporation an associated Canadian-controlled private corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
30 Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	49
32 Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11
33 If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	44
34 Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14
35 Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	15
37 Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5004
38 Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T5013
40 Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	22
41 Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	25
42 Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	29
43 Has the corporation had any non-arm's length transactions with a non-resident?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T106
47 Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	—
46 For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	50
55 Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
78-81 Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2
82,104 Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	3
69-76 Is the corporation claiming any type of losses?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4
132 Is the corp. claiming prov. or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	5
56 Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
103 (i) Is the corporation claiming the small business deduction and reporting income from:(a) property (other than dividends deductible on line 320 of the T2 return, (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	7
57 Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8
58 Does the corporation have any property that is eligible capital property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10
59 Does the corporation have any resource-related deductions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12
60 Is the corporation claiming reserves of any kind?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	13
61 Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	16
62 Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	17
150 Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18
131 Was the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	20*
118 Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	21
155 Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	26*
111 Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	27
121 Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	31
63 Is the corporation claiming any scientific research and experimental development expenditures?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T661/T665
124 Is the corporation subject to gross Part 1.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	33/34/35
124 Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	36
124 Is the corporation claiming a surtax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	37
128 Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	38
128 Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	42
129 Is the corp. subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	43
129 Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	45
125 Is the corporation subject to Part II - Tobacco Manufacturers' surtax ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	46
128 For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	39
128 For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	40
128 For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	41
152 Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1131

Attachments - continued from page 2

Guide item	Yes	No	Sched.
130 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	92*
153 Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount of over \$100,000?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1142
-- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1145
-- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? ...	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1146
-- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48) **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) (item 49) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? (item 50) **282** ELECTRICITY

(Only complete if Yes was entered at line 281.)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents (item 52)

284 <u>ELECTRICITY</u>	285 <u>100.</u> %
286 _____	287 _____ %
288 _____	289 _____ %

Did the corporation immigrate to Canada during the taxation year? (item 53) **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? (item 54) **292** 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL (item 77) **300** 128,617 A

Deduct: Charitable donations from Schedule 2 (item 78) **311** 550

Gifts to Canada, a province or a territory from Schedule 2 (item 79) **312** _____

Cultural gifts from Schedule 2 (item 80) **313** _____

Ecological gifts from Schedule 2 (item 81) **314** _____

Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) **320** _____

Part VI.1 tax deduction from Schedule 43 (item 83)* **325** _____

Non-capital losses of preceding taxation years from Schedule 4 (item 84) **331** _____

Net-capital losses of preceding taxation years from Schedule 4 (item 85) **332** _____

Restricted farm losses of preceding taxation years from Schedule 4 (item 86) **333** _____

Farm losses of preceding taxation years from Schedule 4 (item 87) **334** _____

Limited partnership losses of preceding taxation years from Schedule 4 (item 88) . **335** _____

Taxable capital gains or taxable dividends allocated from a central credit union (item 89) **340** _____

Prospector's and grubstaker's shares (item 90) **350** _____

Subtotal 550 Y 550 B

Subtotal (amount A minus amount B)(if negative, enter "0") 128,067 C

Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) addition(item 91) **355** _____ D

Taxable income (amount C plus amount D) (item 92) **360** 128,067

Income exempt under paragraph 149(1)(t) (item 93) **370** _____

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94) 128,067 Z

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

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 (item 95)	400	A
Taxable income from line 360 on page 3, minus 10/3 of the amount at line 632* on page 7, minus 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)	405 128,067	B

Calculation of the business limit: (Item 97)

For all CCPCs, calculate the amount at line 4 below.

200,000 x	Number of days in the taxation year before 2003	=	274	1	
225,000 x	Number of days in the taxation year in 2003	=	274	2	
250,000 x	Number of days in the taxation year in 2004	=	274	3	
	Number of days in the taxation year		274	4	
	Add amounts at line 1, 2 and 3				410 C

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

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

Business limit reduction: (item 98)

Amount C	x	415 ***	D	=	11,250	E
Reduced business limit (amount C minus amount E) (if negative, enter "0")					425	F
Small business deduction - 16% of whichever amount is least: A, B, C, or F					430 <NIL>	G

(enter amount G on line 9 on page 7.)

- * Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** Large corporation tax

- * The large corporation tax to be entered at line 415 is the gross Part 1.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part 1.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).
- * If the corporation is not associated with any corporation in both the current and preceding taxation years, enter the corporation's gross Part 1.3 tax for its **preceding** taxation year.
- * If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding year, and its current taxation year:
 - starts before December 21, 2002, enter the corporation's gross Part 1.3 tax for its **preceding** taxation year; or
 - starts after December 20, 2002, enter the corporation's gross Part 1.3 tax for its **current** taxation year.
- * For corporations associated in the current taxation year, see Schedule 23 for special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425)	x	300,000	=		A
Net active business income (amount from line 400) *		line 4 above			B
Taxable income from line 360 on page 3 minus 3 times (use '10/4' for taxation years ending before 2003) the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)					C
Deduct:					
Aggregate investment income (amount from line 440 of page 6)				D	
Amount C minus amount D (if negative, enter "0")				Y	E
Amounts A, B, or E above, whichever is less					F
Amount Z from Part 9 of Schedule 27	x 100/7 =			G	
Amount QQ from Part 13 of Schedule 27				H	
Taxable resource income from line 435 of page 5				I	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)				J	
Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less				K	
Total of amounts G, H, I, J, and K				Y	L
Amount F minus amount L (if negative, enter "0")					M
Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7)					N

- * If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.
- ** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction (item 100)

Taxable resource income		435		A
Amount A	x	Number of days in the taxation year in 2003	<u>274</u>	X 1% =
		Number of days in the taxation year	<u>274</u>	B
Amount A	x	Number of days in the taxation year in 2004		X 2% =
		Number of days in the taxation year	<u>274</u>	C
Resource deduction - amount B plus amount C		438		D
(enter amount D on line 10 of page 7)				

General tax reduction for Canadian-controlled private corporations (item 101)
Canadian-controlled private corporations throughout the taxation year

Taxable Income from line 360 on page 3				E
Amount Z from Part 9 of Schedule 27	x 100/7 =			F
Amount QQ from Part 13 of Schedule 27				G
Taxable resource income from line 435 above				H
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)				I
Amount on line 400, 405, 410 or 425 on page 4, whichever is less				J
Aggregate investment income from line 440 on page 6				K
Amount used to calculate the accelerated tax reduction (amount M on page 4)				L
Total of amounts F, G, H, I, J, K, and L				Y
Amount E minus amount M (if negative, enter "0")				M
				N
Amount N	x	Number of days in the taxation year in 2002		X 3% =
		Number of days in the taxation year	<u>274</u>	O
Amount N	x	Number of days in the taxation year in 2003	<u>274</u>	X 5% =
		Number of days in the taxation year	<u>274</u>	P
Amount N	x	Number of days in the taxation year after 2003		X 7% =
		Number of days in the taxation year	<u>274</u>	Q
General tax reduction for Canadian-controlled private corporations - Total of amounts O, P and Q				R
(enter amount R on line 638 of page 7)				

General tax reduction (item 102)
Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 on page 3		<u>128,067</u>	S
Amount Z from Part 9 of Schedule 27	x 100/7 =		T
Amount QQ from Part 13 of Schedule 27			U
Taxable resource income from line 435 above			V
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			W
Total of amounts T, U, V, and W			Y
Amount S minus amount X (if negative, enter "0")		<u>128,067</u>	Y
Amount Y	<u>128,067</u> x	Number of days in the taxation year in 2002	
		Number of days in the taxation year	<u>274</u>
			X 3% =
Amount Y	<u>128,067</u> x	Number of days in the taxation year in 2003	<u>274</u>
		Number of days in the taxation year	<u>274</u>
			X 5% = <u>6,403</u>
Amount Y	<u>128,067</u> x	Number of days in the taxation year after 2003	
		Number of days in the taxation year	<u>274</u>
			X 7% =
General tax reduction - Total of amounts Z, AA and BB		<u>6,403</u>	CC
(enter amount CC on line 639 of page 7)			

Refundable portion of Part I tax (item 103)
Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** X 26 2/3 % = **A**
(Amount P from Part 1 of Schedule 7)

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

Deduct:

Foreign investment income **445** X 9 1/3 % =
(Amount O from Part 1 of Schedule 7) (if negative, enter "0") **Y** **B**

Amount A minus amount B (if negative, enter "0") **C**

Taxable income from line 360 on page 3 **128,067**

Deduct:

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

Foreign non-business income tax

credit from line 632 on page 7 X 25/9

Foreign business income tax

credit from line 636 on page 7 X 3*

Y

128,067 X 26 2/3 % = **34,151** **D**

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) **30,889**

Deduct: Corporate surtax from line 600 of page 7 **1,434**

Net amount **29,455** **Y** **29,455** **E**

Refundable portion of Part I tax - Amount C, D or E, whichever is less **450** **<NIL>** **F**

* For taxation years ending before 2003, "3" is replaced by 10/4.

Refundable dividend tax on hand (item 104)

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

Deduct: Dividend refund for the previous taxation year **465**

Y **A**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 on page 2 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor

corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Y **B**

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B **485** **<NIL>**

Dividend refund (item 105)
Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 X 1/3 **A**

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

Dividend refund - Amount A or B, whichever is less (enter this amount on line 784 of page 8)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Part I tax

Base amount of Part I tax -38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106)	550	48,665	A
Corporate surtax calculation (item 107)			
Base amount from line A above	48,665	1	
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	12,807	2	
Investment corporation deduction from line 620 below		3	
Federal logging tax credit from line 640 below		4	
Federal qualifying environmental trust tax credit from line 648 below		5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:			
28% of taxable income from line 360 on page 3	35,859	a	
28% of taxed capital gains		b	
Part I tax otherwise payable (line A plus lines C and D minus line F)	29,455	c	
Total of lines 2 to 6	12,807	7	
Net amount (line 1 minus line 7)	35,858	8	
Corporate surtax - 4% of the amount on line 8	600	1,434	B
Recapture of Investment tax credit from line PPP in Part 21 of Schedule 31 (item 108)	602		C
Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income (for a CCPC throughout the taxation year) (item 109)			
Aggregate investment income from line 440 on page 6		i	
Taxable income from line 360 on page 3	128,067		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less			
Net amount	128,067	128,067	ii
Refundable tax on CCPC's Investment income - 6 ² / ₃ % of the lesser of amounts i or ii	604		D
Subtotal (add lines A, B, C, and D)		50,099	E
Deduct:			
Small business deduction from line 430 of page 4		9	
Federal tax abatement (item 110)	608	12,807	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632		
Federal foreign business income tax credit from Schedule 21 (item 115)	636		
Accelerated tax reduction from amount N of page 4 (item 116)	637		
Resource deduction from line 438 of page 5		10	
General tax reduction for CCPCs from amount R of page 5 (item 117)	638		
General tax reduction from amount CC of page 5 (item 117)	639	6,403	
Federal logging tax credit from Schedule 21 (item 118)	640		
Federal political contribution tax credit (item 119)	644		
Federal political contributions	646		
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subtotal	19,210	Y	19,210
Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) (Item 122)			30,889
			G

No longer required by the CCRA. Submit the RSI forms only.

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 123)	700	30,889
Part I.3 tax payable from Schedule 33, 34 or 35 (item 124)	704	8,918
Part II surtax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		39,807

Add provincial and territorial tax:

Provincial or territorial jurisdiction (item 132) 750 Ontario

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 133) . 760

Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147) 765

Total tax payable 770 39,807 A

Deduct other credits:

Investment tax credit refund from Schedule 31 (item 148) 780

Dividend refund from page 6 (item 149) 784

Federal capital gains refund from Schedule 18 (item 150) 788

Federal qualifying environmental trust tax credit refund (item 151) 792

Canadian film or video production tax credit refund from Form T1131 (item 152) 796

Film or video production services tax credit refund from Form T1177 (item 153) 797

Tax withheld at source (item 154) 800

Total payments on which tax has been withheld (item 154) 801

Allowable refund for non-resident-owned investment corporations

from Schedule 26 (item 155) 804

Provincial and territorial capital gains refund from Schedule 18 (item 156) 808

Provincial and territorial refundable tax credits from Schedule 5 (item 157) 812

Royalties deduc. under Syncrude Remis. Order (item 158) 815

Tax remitted under Syncrude Remission Order (item 158) 816

Tax instalments paid (item 159) 840 57,774

Total credits 890 57,774 Y 57,774 B

Refund code

(item 160) 894 1

Overpayment

(Item 163) 17,967 Z

Balance (line A minus line B) -17,967

Direct Deposit Request (item 164)

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

☐ Start ☐ Change information 910

Branch number

914 918

Institution number

Account number

If the result is negative, you have an overpayment.

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

Enter the amount on whichever line applies.

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

Balance unpaid (item 163) Z

Enclosed payment

(item 162) 898

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? (item 161). ... 896

1 Yes ☐ 2 No ☒

Certification (item 165)

I, 950 GELBERT

Last name in block letters

951 J WILLIAM

First name in block letters

954 OFFICER

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 30/06/2004

Date (dd/mm/yyyy)

Signature of an authorized signing officer of the corporation

956 9058710330

Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes ☐ 2 No ☒

958 GLEN KING

Name in block letters

959 9058710330

Telephone number

Language of correspondence - Langue de correspondance (item 166)

990 Please indicate the language of your choice.

Indiquer la langue de correspondance de votre choix.

1 English/Anglais ☒

2 Francais/French ☐

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
(2000 and later taxation years)

SCHEDULE 1

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Net income (loss) after taxes and extraordinary items per financial statements

34,654 A

Add:

Provision for income taxes - current	101	88,775		
Provision for income taxes - deferred	102	50,173		
Interest and penalties on taxes	103			
Amortization of tangible assets	104	118,963		
Amortization of natural resource assets	105			
Amortization of intangible assets	106			
Recapture of capital cost allowance from Schedule 8	107			
Gain on sale of eligible capital property from Schedule 10	108			
Income or loss for tax purposes - joint ventures or partnerships	109			
Loss in equity of subsidiaries and affiliates	110			
Loss on disposal of assets	111			
Charitable donations from Schedule 2	112			
Taxable capital gains from Schedule 6	113			
Political donations	114			
Holdbacks	115			
Deferred and prepaid expenses	116			
Depreciation in inventory - end of year	117			
Scientific research expenditures deducted per financial statements	118			
Capitalized interest	119			
Non-deductible club dues and fees	120			
Non-deductible meals and entertainment expenses	121	691		
Non-deductible automobile expenses	122			
Non-deductible life insurance premiums	123			
Non-deductible company pension plans	124			
Tax reserves deducted in prior year from Schedule 13	125			
Reserves from financial statements - balance at the end of the year	126			
Soft costs on construction and renovation of buildings	127			
Total of fields 201 to 294 on page 2	199			
Total of fields 101 to 199	500	258,602	Y	258,602

Deduct:

Gain on disposal of assets per financial statements	401	1,191		
Dividends not taxable under section 83 from Schedule 3	402			
Capital cost allowance from Schedule 8	403	85,333		
Terminal loss from Schedule 8	404			
Cumulative eligible capital deduction from Schedule 10	405			
Allowable business investment loss - Schedule 6	406			
Foreign non-business tax deduction under subsection 20(12)	407			
Holdbacks	408			
Deferred and prepaid expenses	409			
Depreciation in inventory - end of prior year	410			
Scientific research expenses claimed in year from Form T661	411			
Tax reserves claimed in current year from Schedule 13	413			
Reserves from financial statements - balance at the beginning of the year	414	78,115		
Patronage dividends from Schedule 16	416			
Contributions to deferred income plans from Schedule 15	417			
Total of fields 300 to 394 on page 3	499			
Total of fields 401 to 499	510	164,639	Y	164,639
Net income (loss) for income tax purposes - enter at line 300 on page 3 of the T2 return				128,617

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Add:

Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	
Deemed interest on loans to non-residents	210	
Deemed interest received	211	
Development expenses claimed in current year	212	
Dividend stop-loss adjustment	213	
Dividends credited to the investment account	214	
Exploration expenses claimed in current year	215	
Financing fees deducted in books	216	
Foreign accrual property income	217	
Foreign affiliate property income	218	
Foreign exchange included in retained earnings	219	
Gain on settlement of debt	220	
Interest paid on income debentures	221	
Limited partnership losses from Schedule 4	222	
Loss from international banking centres	223	
Mandatory inventory adjustment - included in current year	224	
Mining royalties (provincial mining taxes)	225	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Optional value of inventory - included in current year	229	
Other expenses from financial statements	230	
Recapture of SR&ED expenditures - Form T661	231	
Resource amounts deducted	232	
Restricted farm losses - current year - Schedule 4	233	
Sales tax assessments	234	
Share issue expense	235	
Write-down of capital property	236	
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - previous year	238	
Other additions:		
600	290	
601	291	
602	292	
603	293	
604	294	
Total of fields 201 to 294 (enter this amount at line 199 on page 1)		

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Deduct:

Accounts payable and accruals for cash basis - opening	300	_____
Accounts receivable and prepaid for cash basis - closing	301	_____
Accrual inventory - closing	302	_____
Accrued dividends - current year	303	_____
Bad debt	304	_____
Book income of joint venture or partnership	305	_____
Equity in income from subsidiaries or affiliates	306	_____
Exempt income under section 81	307	_____
Income from international banking centres	308	_____
Mandatory inventory adjustment - included in prior year	309	_____
Contributions to qualifying environmental trust	310	_____
Non-Canadian advertising expenses - broadcasting	311	_____
Non-Canadian advertising expenses - printed materials	312	_____
Optional value of inventory - included in prior year	313	_____
Other income from financial statements	314	_____
Payments made for allocations in proportion to borrowing and bonus interest payment from Schedule 17	315	_____
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years - current year ...	316	_____

Resource deductions:

Canadian development expenses from Schedule 12	340	_____
Canadian exploration expenses from Schedule 12	341	_____
Canadian oil and gas property expenses from Schedule 12	342	_____
Deductible crown charges	343	_____
Depletion from Schedule 12	344	_____
Foreign exploration and development expenses from Schedule 12	345	_____
Resource allowance	346	_____

Other deductions:

700 _____	390	_____
701 _____	391	_____
702 _____	392	_____
703 _____	393	_____
704 _____	394	_____

Total of fields 300 to 394 (enter this amount at line 499 on page 1) _____

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

D For use by corporations to claim any of the following:

- Charitable donations;
- Gifts to Canada or a province (see reverse);
- Gifts of certified cultural property (see reverse); or
- Gifts of certified ecologically sensitive land (see reverse).

D The donations and gifts are eligible for a five year carry-forward.

D Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal **Income Tax Act (Canada)**.

D File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

D For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 - Charitable donations

Charitable donations at end of preceding taxation year		550	A
Deduct: Donations expired after 5 taxation years	239		
Charitable donations at beginning of taxation year	240	550	
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	250		B
Total current year charitable donations made	210		C
Subtotal: Amount B plus amount C			Y
Total donations available		550	E
Deduct: Amount applied against taxable income: (enter amount from line S)	260	550	F
Charitable donations closing balance	280		G

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * multiplied by 75%		96,463	H
Taxable capital gains arising in respect of gifts of capital property	225		I
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227		J
Add the lesser of:			
1) The amount of the recapture of capital cost allowance in respect of charitable gifts	230		K
2) The lesser of:			
i) Proceeds of dispositions less outlays and expenses			L
ii) The capital cost			M
The lesser of amounts L and M	235		N
The lesser of amounts K and N			O
Subtotal: Amount I plus amount J plus amount O			Y
Amount P multiplied by 25%			P
Maximum deduction allowable: (amount H plus amount Q)		96,463	R
Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes)		550	S

(Enter amount S on line 311 on page 3 of the T2 return)

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Part 3 - Gifts to Canada or province

Gifts to Canada or a province at the end of the preceding taxation year	
Deduct: Gifts to Canada or a province expired after 5 taxation years	339
Gifts to Canada or a province at the beginning of the taxation year	340
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350
Total current year gifts made to Canada or a province *	310
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 312 on page 3 of the T2 return)	360
Gifts to Canada or a province closing balance	380

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	
Deduct: Gifts of certified cultural property expired after 5 taxation years	439
Gifts of certified cultural property at the beginning of the taxation year	440
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450
Total current year gifts of certified cultural property	410
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 313 on page 3 of the T2 return)	460
Gifts of certified cultural property closing balance	480

Part 5 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550
Total current year gifts of certified ecologically sensitive land	510
Subtotal	
Deduct: Amount applied against taxable income (enter this amount on line 314 on page 3 of the T2 return)	560
Gifts of certified ecologically sensitive land closing balance	580

Part 6 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Canada or a province	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1999/12/31				
2000/12/31				
2001/12/31				
2002/12/31				
2003/12/31				

Totals

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Part 7 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998				<NIL>	
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002	550		550		<NIL>
31/12/2003					<NIL>
Total	550		550		<NIL>

Part 8 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 9 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 10 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Name of Corporation	Business Number	Taxation Year End	Year Month Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003/12/31

Charitable Donations

SCHEDULE 2 - Federal Supplement

Name of Recipient (for donations of \$100 or more)	Registration Number	Amount
Total donations of less than \$100 each		
Sub-Total		<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Federal

(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		1,126,927	111,657			1,238,584	55,829	1,182,755	4.0	35,516	1,203,068
8		28,700	19,579		1,000	47,279	9,290	37,989	20.0	5,704	41,575
10		9,451	12,236		607	21,080	5,815	15,265	30.0	3,438	17,642
3		101,194				101,194		101,194	5.0	3,798	97,396
12			98,248			98,248	49,124	49,124	100.	36,877	61,371
Total		1,266,272	241,720		1,607	1,506,385	120,058	1,386,327		85,333	1,421,052

- Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).
- Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.
- Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.
- Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8SUM - Federal

Name of Corporation	Business Number	Taxation Year End	Year Month Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

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

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
reg	1.266.272	241.720		1.607	1.506.385	120.058	1.386.327
10.1							
13							
14							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
reg			85.333	1.421.052			
10.1							
13							
14							
Total			85.333				

1 Class number 200	2 UCC start of year 201	3 Additions during the year 203	4 Net adjustments 205	5 Proceeds of dispositions 207	6 Adjusted UCC	7 50% rule on net acquisitions 211	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA 213	11 Terminal Loss loss 215	12 CCA 217	13 UCC at end of year 220			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture

Terminal loss

CCA Claimed

85.333

(Schedule 1 Line 107)

(Schedule 1 Line 404)

(Schedule 1 Line 403)

RELATED AND ASSOCIATED CORPORATIONS

(1998 and later taxation years)

SCHEDULE 9

Name of Corporation		Business Number		Taxation Year End	Year Month Day
EASTERN ONTARIO POWER INC		897844122 RC 0001			2003/12/31

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

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

Name	Country of residence (other than Canada)	Business number (Note 1)	Relationship code (Note 2)	No. of common shares owned	% of common shares owned	Number of pfd shares owned	% of pfd shares owned	Book value of capital stock
100	200	300	400	500	550	600	650	700
FORTIS INC	CA	101852416	3					
FORTISONTARIO INC	CA	100768985	1					
CANADIAN NIAGARA POW	CA	872498225	3					
CANADIAN NIAGARA ENE	CA	865416655	3					
1161557 ONTARIO LIMI	CA	893291740	3					
NEWFOUNDLAND POWER I	CA	103864831	3					
FORTIS ENERGY CORP	CA	103864443	3					
MARITIME ELECTRIC CO	CA	121119879	3					
FORTIS ENERGY CAYMAN	KY		3					
BELIZE ELECTRICITY L	BZ		3					
FORTIS ENERGY (BERMU	BM		3					
FORTIS PROPERTIES CO	CA	896932449	3					
FORTIS CAYMAN INC	KY		3					
NEWFOUNDLAND ENERGY	KY		3					
MARITIME ELECTRIC CA	KY		3					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

Name of Corporation	Business Number	Taxation Year End	Year Month Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003/12/31

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This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.

Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipients (please print)	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1.	CNP INC	1130 BERTIE STREET FORT ERIE ON L2A5Y2			360,000		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Complete the information below, if the corporation deducted from its income, payments made to: a registered pension plan (RPP); a registered supplementary unemployment benefit plan (RSUBP); a deferred profit sharing plan (DPSP); or an employee profit sharing plan (EPSP).

If the trust that governs an employee profit sharing plan is **not resident** in Canada, please indicate if the T4PS, *Statement of Employees Profit Sharing Plan Allocations and Payments*, Supplementary slip(s) were filed for the last calendar year, and whether they were filed by the trustee or the employer.

[illegible]

Note 1. Enter the applicable code number:

- 1 - RPP
- 2 - RSUBP
- 3 - DPSP
- 4 - EPSP

Note 2. Enter on line 417 of Schedule 1, the total of the amounts in column 200 for DPSP.

Note 3. T4PS slip(s) filed by: 1 - Trustee
2 - Employer
(EPSP only)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
- 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt (as defined by subsection 128(3)) at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I . . .	101	<u>860,173</u>		
Capital stock (or members' contributions if incorporated without share capital)	103	<u>1,044,477</u>		
Retained earnings	104	<u>34,655</u>		
Contributed surplus	105	<u>3,946,778</u>		
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	<u>242,917</u>		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111			
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112			
	Subtotal	<u><u>6,129,000</u></u>	Y	<u>6,129,000</u> A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing the shareholders' equity	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123			
The amount of deferred unrealized foreign exchange losses	124			
	Subtotal		Y	
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	<u><u>6,129,000</u></u>		B

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	

Note:

- Where the corporation has an interest in a partnership, the carrying value at the end of the taxation year, of that interest is deemed to be equal to that proportion of the total of the carrying value of each asset of the partnership described in 401 to 405 above, at the end of its last fiscal period ending at or before the end of the year, that the corporation's share of the partnership's income or loss is of the partnership's income or loss for that period.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).
- Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)	6,129,000	C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500 6,129,000	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	6,129,000	x	Taxable income earned in Canada	610	128,067	=	Taxable capital employed in Canada	690	6,129,000
			Taxable income		128,067				

Notes:

- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
- Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
- In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	
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Deduct the following amounts:

Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
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Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----	--

Total deductions (add lines 711, 712, and 713) Y _____ E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	
----------------------------------------------------------------------------------------------	------------	--

Note: Complete line 713 only if the country in which the corporation is resident imposed neither a capital tax for the year on similar assets, nor a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)	6,129,000
Deduct: Capital deduction claimed for the year (enter \$10,000,000 (\$50,000,000 for taxation years ending after 2003) or, for related corporations, the amount allocated on Schedule 36)	801
Excess of taxable capital employed in Canada over capital deduction	811 6,129,000

Gross Part I.3 Tax

Year	Line 811	Number of days	Number of days in the taxation year				
Before 2004	6,129,000	x 274	/ 274	X 0.2250% =	13,790	1	
2004	6,129,000	x	/ 274	X 0.2000% =		2	
2005	6,129,000	x	/ 274	X 0.1750% =		3	
Total Gross Part I.3 Tax (add lines 1, 2, and 3)					13,790		13,790 F
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:							
Amount F	13,790	x	Number of days in the year (274)	=	10,352		G
			365				
Gross Part I.3 tax (amount F or G, whichever applies)					820 10,352		

* For calendar year 2004 the rate is reduced to 0.0020, prorated for straddle years.

Part 6 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return	1,434			
b) line 700 from the T2 return	30,889			H
In any other case, the lesser of c and d below:				
c) line 600 from the T2 return	1,434	x	line 690 of this schedule 6,129,000 line 500 of this schedule 6,129,000	= 1,434
d) line 700 from the T2 return			30,889	1,434 I
Current-year surtax credit available (amount H or I, whichever applies)				830 1,434

Part 7 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)	1,434
Taxable capital employed in Canada (line 690 or 790, whichever applies)	6,129,000
Deduct: Capital deduction claimed for the year	
Excess of taxable capital employed in Canada over capital deduction	6,129,000 a
Less: Gross Part I.3 tax	
Line a 6,129,000 X 0.2250%	= 13,790 13,790 b
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:	
Amount b 13,790 X	Number of days in the year 274 365 = 10,352 c
Current-year unused surtax credit (if negative, enter "0")	850
Enter this amount at line 600 on Schedule 37	

- For the purposes of the calculation of current-year unused surtax credit, the calculation is performed on a capital deduction based on \$10 millions and a specified percentage of 0.225%.

AGREEMENT AMONG RELATED CORPORATIONS - PART 1.3 TAX
(1998 and later taxation years)

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
EASTERN ONTARIO POWER INC	897844122 RC 0001		2003	12	31

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000** among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Date filed (for departmental use only)	010	Year	Month	Day
Is this an amended agreement?	020	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>	
Enter the calendar year to which the agreement applies	030	Year	2003	

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part 1.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter 'NR')	Allocation of capital deduction for the year \$	Taxation year to which this agreement applies* (YYYY /MM /DD)
200	300	400	500
1. EASTERN ONTARIO POWER INC	897844122		
2. FORTIS PROPERTIES CORP	896932449	10,000,000	
3.			
4. FOR A COMPLETE COMPANY LIST FOR THE	101852416		
5. CAPITAL DEDUCTION AGREEMENT, REFER TO THE	101852416		
6. ATTACHED SUPPLEMENTARY SCHEDULE 36	101852416		
7.			
8.			
9.			
10.			
11.			
12.			
13.			
Total (not to exceed \$10,000,000**)		10,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

** \$50,000,000 for taxation years ending after 2003.

-]

For use by corporations which have remitted instalment payments for the taxation year of the return being filed.
-]

The use of this schedule will assist the department in processing your return.
-]

Use the statements of account balance (Part 2 of Form T9) received from the department to prepare this schedule.

Name of Corporation EASTERN ONTARIO POWER INC		Business Number 897844122 RC 0001		Taxation Year End	Year 2003	Month 12	Day 31
Name of corporation contact (for department enquiries) GLEN KING					Telephone Number 9058710330		
Effective interest date from statement of account balance (where applicable)	Description (Instalment remittance, Split payment, Assessed credit)					Amount of Credit	
	TOTAL INSTALLMENTS					52,384	
	INSTALLMENT					5,390	
Total Amount of Instalments claimed (Enter on line 840 on the front of T2 Return)					(A)	57,774	
Total instalments credited to the taxation year, per last T9 statement of account balance					(B)		

Where amounts (A) and (B) cannot be reconciled, contact your Taxation Centre in order to resolve the discrepancy prior to the end of the taxation year.

Reconciliation Process

Your return will be processed using the instalment credits available in your account for this fiscal period at the time of assessment. Any overpayment resulting from an instalment discrepancy between the instalment credits available in your account and the instalment credits claimed in field 840 on your return, will first be applied to any balance outstanding and the excess refunded, if the discrepancy is less than \$500.00. If the discrepancy is \$500.00 or more, the excess will be transferred to the next unassessed fiscal period. The effective interest date of the transfer will be the date of assessment.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	31/12/2003

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.		
2.		
3.		to (362)

Corporation's share of gross revenue:

Corporation's own gross revenue	5,607,019
---------------------------------------	-----------

ADD:

1.		0
2.		0
3.		0

Total gross revenue of corporation & partnerships	5,607,019
---------------------------------------------------------	-----------

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.		
2.		
3.		to (400)

Bonds & securities - Gov't/Municipality/School District:

1.		
2.		
3.		to (401)

Bonds & debentures of other corporations:

1.		
2.		
3.		to (402)

Mortgages due from other corporations:

1.		
2.		
3.		to (403)

Shares in other corporations:

1.		
2.		
3.		to (404)

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.		
2.		
3.		to (405)

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.		
2.		
3.		to (406)

Shares of partnership(s) or joint venture(s) eligible investments:

1.		
2.		
3.		to (407)

LOANS AND ADVANCES:

From corporations or government		
From shareholders or related persons		
From CUSTOMER DEPOSITS	242,917	
From		to (353)
		242,917

2001 PORT COLBORNE HYDRO T2 FEDERAL TAX RETURN

T2 CORPORATION INCOME TAX RETURN

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

200
Code 0101

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) 001 868293275RC0001

Corporation's name

002 Port Colborne Hydro Inc.

Has the corporation changed its name since the last time we were notified? ... **003** 1 Yes ☐ 2 No ☒

If yes, do you have a copy of the articles of amendment? **004** 1 Yes ☐ 2 No ☐

Address of head office

Has the address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒

011 380 Elm Street

012

City Province, territory, or state

015 Port Colborne

016 ON

Country (other than Canada)

Postal Code/ZIP code

017 CA

018 L3K-4P2

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City Province, territory, or state

025

026

Country (other than Canada)

Postal code/ZIP code

027

028

Location of books and records

031 380 Elm Street

032

City Province, territory, or state

035 Port Colborne

036 ON

Country (other than Canada)

Postal Code/ZIP code

037 CA

038 L3K-4P2

040 Type of corporation at the end of the taxation year

1 ☐ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation

2 ☐ Other private corporation 5 ☒ Other corporation (please specify, below)

3 ☐ Public corporation Municipal Corp.

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

YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start

Taxation year end

060 2001-10-01
YYYY/MM/DD

061 2001-12-31
YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired **065** _____
YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? **067** 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? **070** 1 Yes ☐ 2 No ☒

Amalgamation? **071** 1 Yes ☐ 2 No ☒

If yes, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year? **072** 1 Yes ☐ 2 No ☒

If yes, please provide Schedule 24 **072** 1 Yes ☐ 2 No ☒

Is this the final taxation year before amalgamation? **076** 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? **078** 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If no, give the country of residence.

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

If yes, please provide Schedule 91 **082** 1 Yes ☐ 2 No ☒

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

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each yes response, attach to the T2 return the schedule that applies.

Guide item		Yes	Schedule
27	Is the corporation related to any other corporations?	150 <input type="checkbox"/>	9
28	Does the corporation have any non-resident shareholders?	151 <input type="checkbox"/>	19
29	Is the corporation an associated Canadian-controlled private corporation?	160 <input type="checkbox"/>	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161 <input type="checkbox"/>	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162 <input type="checkbox"/>	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163 <input type="checkbox"/>	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input type="checkbox"/>	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166 <input type="checkbox"/>	T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167 <input type="checkbox"/>	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168 <input type="checkbox"/>	22
41	Did the corporation have any foreign affiliates during the year?	169 <input type="checkbox"/>	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170 <input type="checkbox"/>	29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171 <input type="checkbox"/>	T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172 <input type="checkbox"/>	—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 <input checked="" type="checkbox"/>	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 <input checked="" type="checkbox"/>	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202 <input type="checkbox"/>	2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input type="checkbox"/>	3
69-76	Is the corporation claiming any type of losses?	204 <input checked="" type="checkbox"/>	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205 <input type="checkbox"/>	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206 <input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or			
ii) Is the corporation claiming the refundable portion of Part I tax?			
		207 <input type="checkbox"/>	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208 <input checked="" type="checkbox"/>	8
58	Does the corporation have any property that is eligible capital property?	210 <input checked="" type="checkbox"/>	10
59	Does the corporation have any resource-related deductions?	212 <input type="checkbox"/>	12
60	Is the corporation claiming reserves of any kind?	213 <input type="checkbox"/>	13
61	Is the corporation claiming a patronage dividend deduction?	216 <input type="checkbox"/>	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217 <input type="checkbox"/>	17
149	Is the corporation an investment corporation or a mutual fund corporation?	218 <input type="checkbox"/>	18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220 <input type="checkbox"/>	20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221 <input type="checkbox"/>	21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226 <input type="checkbox"/>	26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227 <input type="checkbox"/>	27
120	Is the corporation claiming an investment tax credit?	231 <input type="checkbox"/>	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232 <input type="checkbox"/>	T661
123	Is the corporation subject to gross Part I.3 tax?	233 <input checked="" type="checkbox"/>	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236 <input type="checkbox"/>	36
123	Is the corporation claiming a surtax credit?	237 <input type="checkbox"/>	37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238 <input type="checkbox"/>	38
127	Is the corporation claiming a Part I tax credit?	242 <input type="checkbox"/>	42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? ...	243 <input type="checkbox"/>	43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244 <input type="checkbox"/>	45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249 <input type="checkbox"/>	46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250 <input type="checkbox"/>	39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251 <input type="checkbox"/>	40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252 <input type="checkbox"/>	41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	T1131

Corporation's name Port Colborne Hydro Inc.	Business Number 868293275RC0001	Taxation year-end 2001-12-31
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Attachments - continued from page 2

Guide item	Yes	Schedule
129 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	92 *
152 Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	<input type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
— Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
— Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
— Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
— Is the corporation claiming the BC mining exploration tax credit?	<input type="checkbox"/>	421
— Is the corporation claiming the BC SR&ED tax credit?	<input type="checkbox"/>	T666

Additional information

Is the corporation inactive? 280 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter yes for first time filers) 281 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? 282 _____
(Only complete if yes was entered at line 281.)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284 <u>Electric sale & dist</u>	285 <u>100</u> %
286 _____	287 <u>0</u> %
288 _____	289 <u>0</u> %

Did the corporation immigrate to Canada during the taxation year? 291 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? 292 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	<u>-225,458</u> A
Deduct: Charitable donations from Schedule 2	311	<u>0</u>
Gifts to Canada or a province from Schedule 2	312	<u>0</u>
Cultural gifts from Schedule 2	313	<u>0</u>
Ecological gifts from Schedule 2	314	<u>0</u>
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320	<u>0</u>
Part VI.1 tax deduction from Schedule 43	325	<u>0</u>
Non-capital losses of preceding taxation years from Schedule 4	331	<u>0</u>
Net-capital losses of preceding taxation years from Schedule 4	332	<u>0</u>
Restricted farm losses of preceding taxation years from Schedule 4	333	<u>0</u>
Farm losses of preceding taxation years from Schedule 4	334	<u>0</u>
Limited partnership losses of preceding taxation years from Schedule 4	335	<u>0</u>
Taxable capital gains or taxable dividends allocated from a central credit union	340	<u>0</u>
Prospector's and grubstaker's shares	350	<u>0</u>
Subtotal		<u>0</u> B
Subtotal (amount A minus amount B)		<u>0</u> C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355	<u>0</u> D
Taxable income (amount C plus amount D)	360	<u>0</u>
Income exempt under paragraph 149(1)(t)	370	<u>0</u>
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		<u>0</u> Z

Small business deduction

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

Income from active business carried on in Canada from Schedule 7 400 0 A

Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax 405 0 B

Business limit (for associated corporations, enter business limit from Schedule 23) 410 0 C

Reduction to business limit:

Amount C 0 x 415 *** 0 D = 0 E

11,250

Reduced business limit (amount C minus amount E) (if negative, enter "0") 425 0 F

Small business deduction - 16.00% of the least of amounts A, B, C, and F 430 0 G
(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** Large corporation tax for preceding year - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

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

Reduced business limit (amount from line 425) 0 x 3/2 = 0 A

Net active business income (amount from line 400) * 0 B

Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax 0 C

Deduct:
Aggregate investment income (amount from line 440 of page 6) 0 D

Amount C minus amount D (if negative, enter "0") 0 0 E

The least of amounts A, B, or E above 0 F

Amount Z from Part 9 of Schedule 27 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 0 H

Resource allowance
(amount from line 346 of Schedule 1) 0 x 3 = 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) 0 J

Least of amounts on lines 400, 405, 410, and 425 of the small business deduction 0 K

Total of amounts G, H, I, J, and K 0 0 L

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

Amount M 0 x Number of days in the taxation year after December 31, 2000 0 = 0 N
Number of days in the taxation year 92

Accelerated tax reduction - 7% of amount N 0 O
(enter amount O on line 637 of page 7)

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

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

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 or amount Z of page 3	.....	0	A
Amount Z from Part 9 of Schedule 27	..... $\frac{0}{100} \times 100/7$	0	B
Amount QQ from Part 13 of Schedule 27	.....	0	C
Resource allowance (amount from line 346 of Schedule 1)	..... $\frac{0}{100} \times 3$	0	D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	.....	0	E
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4	.....	0	F
Aggregate investment income from line 440 of page 6	.....	0	G
Amount used to calculate the accelerated tax reduction (amount M of page 4)	.....	0	H
Total of amounts B, C, D, E, F, G, and H	.....	0	I
Amount A minus amount I (if negative, enter "0")	.....	0	J
Amount J	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$	$\frac{92}{92} \times 1\%$	0 K
Amount J	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 3\%$	0 L
Amount J	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 5\%$	0 M
Amount J	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 7\%$	0 N
General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7)			0 O

General tax reduction

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

Taxable income from line 360 or amount Z of page 3	.....	0	A
Amount Z from Part 9 of Schedule 27	..... $\frac{0}{100} \times 100/7$	0	B
Amount QQ from Part 13 of Schedule 27	.....	0	C
Resource allowance (amount from line 346 of Schedule 1)	..... $\frac{0}{100} \times 3$	0	D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	.....	0	E
Total of amounts B, C, D, and E	.....	0	F
Amount A minus amount F (if negative, enter "0")	.....	0	G
Amount G	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$	$\frac{92}{92} \times 1\%$	0 H
Amount G	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 3\%$	0 I
Amount G	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 5\%$	0 J
Amount G	$\frac{0}{92} \times \frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$	$\frac{0}{92} \times 7\%$	0 K
General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7)			0 L

Corporation's name Port Colborne Hydro Inc.	Business Number 868293275RC0001	Taxation year-end 2001-12-31
------------------------------------------------	------------------------------------	---------------------------------

Part I tax

Base amount of Part I tax - 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 550 0 A

Corporate surtax calculation

Base amount from line A above	0	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	0	2
Investment corporation deduction from line 620 below	0	3
Federal logging tax credit from line 640 below	0	4
Federal qualifying environmental trust tax credit from line 648 below	0	5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:		
28.00 % of taxable income from line 360 of page 3	0 a	
28.00 % of taxed capital gains	0 b	
Part I tax otherwise payable	0 c	
(line A plus lines C and D minus line F)		
Total of lines 2 to 6	0	7
Net amount (line 1 minus line 7)	0	8

Corporate surtax - 4.00% of the amount on line 8 600 0 B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 602 0 C

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

Aggregate investment income from line 440 on page 6	0	i
Taxable income from line 360 on page 3	0	
Deduct:		
The least of amounts on lines 400, 405, 410, and 425 of page 4	0	
Net amount	0	ii

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts i or ii 604 0 D

Subtotal (add lines A, B, C, and D) 0 E

Deduct:

Small business deduction from line 430 of page 4	0	9
Federal tax abatement	608	0
Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27	616	0
Investment corporation deduction	620	0
(taxed capital gains 624 <u>0</u>)		
Additional deduction - credit unions from Schedule 17	628	0
Federal foreign non-business income tax credit from Schedule 21	632	0
Federal foreign business income tax credit from Schedule 21	636	0
Accelerated tax reduction from amount O of page 4	637	0
General tax reduction for CCPCs from amount O of page 5	638	0
General tax reduction from amount L of page 5	639	0
Federal logging tax credit from Schedule 21	640	0
Federal political contribution tax credit	644	0
Federal political contributions 646 <u>0</u>		
Federal qualifying environmental trust tax credit	648	0
Investment tax credit from Schedule 31	652	0

Subtotal 0 F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) 0 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	2,330
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		2,330

Add provincial and territorial tax:

Provincial or territorial jurisdiction	750	ON
(If more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0
		0
Total tax payable	770	2,330 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0
Dividend refund from page 6	784	0
Federal capital gains refund from Schedule 18	788	0
Federal qualifying environmental trust tax credit refund	792	0
Canadian film or video production tax credit refund from Form T1131	796	0
Film or video production services tax credit refund from Form T1177	797	0
Tax withheld at source	800	0
Total payments on which tax has been withheld	801	0
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0
Provincial and territorial capital gains refund from Schedule 18	808	0
Provincial and territorial refundable tax credits from Schedule 5	812	0
Royalties deductible under Syncrude Remission Order	815	0
Tax remitted under Syncrude Remission Order	816	0
Tax instalments paid	840	0
Total credits	890	0 B
Refund code	894	0
Overpayment	0	
Balance (line A minus line B)		2,330

Direct deposit request

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

<input type="checkbox"/> Start	<input type="checkbox"/> Change information	910
		Branch number
914	918	
Institution number	Account number	

If the result is negative, you have an overpayment.
If the result is positive, you have a balance unpaid.
Enter the amount on whichever line applies.
We do not charge or refund a difference of less than \$2.

Balance unpaid 2,330
Enclosed payment 898 2,330

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

896 1 Yes ☐ 2 No ☒

Certification

950 ANDERSON Last name in block letters
951 KAY First name in block letters
954 ACCOUNTANT Position, office or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd)
Signature of an authorized signing officer of the corporation
956 905-835-0051 Telephone number

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

958 PETER SENESE Name in block letters
959 905-835-2900 Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice.
Indiquer la langue de correspondance de votre choix.
1 English/Anglais ☒ 2 Français/French ☐

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

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and

extraordinary items per financial statements

-167,429 A

Additions:

Provision for income taxes - current.

101

2,330

Provision for income taxes - deferred.

102

-17,516

Amortization of tangible assets.

104

139,197 ✓

Non-deductible meals and entertainment expenses.

121

277 ✓

Non-deductible company pension plans.

124

37,500 ✓

Subtotal of additions.

161,788

161,788

Other Additions:**Miscellaneous Other Additions:**

Subtotal of Other Additions.

199

0

0

Total Additions

500

161,788

161,788

Deductions:

Capital cost allowance from Schedule 8.

403

159,453

Cumulative eligible capital deduction from Schedule 10.

405

31,939

Subtotal of Deductions.

191,392

191,392

Other Deductions:**Miscellaneous Other Deductions:**

PENSION CONTRIBUTIONS.

700

390

28,425

Subtotal of Other Deductions.

499

28,425

28,425

Total Deductions

510

219,817

219,817

Net income (loss) for income tax purposes.

-225,458

(Enter on line 300 on the T2 return)

=====

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

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

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

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

Net income (loss) for income tax purposes.		-225,458
Deduct: (increase a loss)		
Net capital losses deducted in the year		
(enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6).	0	
Amount of Part VI.1 tax deductible.	0	
Amount deductible as prospector's and grubstaker's shares		
- Paragraph 110(1)(d.2)	0	0

Subtotal (if positive, enter "0")		-225,458
uct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions.		0

Subtotal		-225,458
Add: (decrease a loss)		
Current-year farm loss.		0

Current-year non-capital loss (if positive, enter "0").		-225,458
		=====

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year.		0	
Deduct: Non-capital loss expired after seven taxation years.	100	0	
Non-capital losses at beginning of			
taxation year.	102	0	
Add: Non-capital losses transferred on amalgamation or			
up of subsidiary corporation.	105	0	
Current-year non-capital loss (from calculation above).	110	225,458	225,458

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	0	
Amount applied against taxable dividends subject to Part IV tax.	135	0	
Section 80 - Adjustments for forgiven amounts.	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate.		0	
Other adjustments.	150	0	0

	Subtotal		225,458

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income.	901	0	
Second preceding taxation year to reduce taxable income.	902	0	
Third preceding taxation year to reduce taxable income.	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax.	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax.	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax.	913	0	0

Non-capital losses - Closing balance.	180		225,458
			=====

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator. 190 Yes []

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year.	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation.	205	0	
Current-year capital loss (from Schedule 6 calculation).	210	0	0
Add:			
Allowable business investment loss expired as non-capital loss.	0 x 4/3	220	0

	Subtotal		0

Deduct:

Amount applied against current-year capital gain (see note 1).	225	0	
Section 80 - Adjustments for forgiven amounts.	240	0	
Other adjustments.	250	0	0

	Subtotal		0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)	Inclusion Rate		Amount carried back (100%)	
First preceding taxation year.	0 . . . . .	.0000	951	0	
Second preceding taxation year.	0 . . . . .	.0000	952	0	
Third preceding taxation year.	0 . . . . .	.0000	953	0	0

Capital losses - Closing balance.			280		0
					=====

Part 2 - Capital losses**Continuity of capital losses and request for a carryback (cont'd)**

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.

Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.

For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determined by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

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

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

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:

Is the corporation exempt from the restricted farm loss rules?

(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses**Current-year restricted farm loss**

Total losses for the year from farming business.	485	0	A
Minus the deductible farm loss:			
\$2,500 plus B or C, whichever is less.	2,500		
(Amount A above 0 - \$2,500) divided by 2 = 0 B			
	6,250 C	0	2,500
<hr/>			
Current-year restricted farm loss (enter this amount on line 410).		0	
		=====	

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year.		0	
Deduct: Restricted farm loss expired after 10 taxation years.	400	0	
Restricted farm losses at beginning of taxation year.	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation.	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1).	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return).	430	0	
Section 80 - Adjustments for forgiven amounts.	440	0	
Other adjustments.	450	0	0
<hr/>			
	Subtotal		0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income.	941	0	
Second preceding taxation year to reduce farming income.	942	0	
Third preceding taxation year to reduce farming income.	943	0	0
<hr/>			
Restricted farm losses - Closing balance.	480		0
		=====	

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses**Continuity of listed personal property loss and request for a carryback**

Listed personal property losses at end of preceding taxation year.		0	
Deduct: Listed personal property loss expired after seven taxation years.	500	0	
Listed personal property losses at beginning of taxation year.	502	0	
Add: Current-year listed personal property loss (from Schedule 6).	510	0	
<hr/>			
	Subtotal		0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6).	530	0	
Other adjustments.	550	0	0
<hr/>			
	Subtotal		0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains.	961	0	
Second preceding taxation year to reduce listed personal property gains.	962	0	
Third preceding taxation year to reduce listed personal property gains.	963	0	0
<hr/>			
Listed personal property losses - Closing balance.	580		0
		=====	

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

Non-capital losses							
Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	225,458	0	0	N/A	0	225,458
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0 *
Total	0	225,458	0	0	0	0	225,458

Farm losses							
Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	0	0	0	N/A	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0
1994	0	N/A	0	N/A	0	0	0
1993	0	N/A	0	N/A	0	0	0
1992	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses							
Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	0	0	0	N/A	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
2000	0	N/A	0	N/A	0	N/A	0
1999	0	N/A	0	N/A	0	N/A	0
1998	0	N/A	0	N/A	0	N/A	0
1997	0	N/A	0	N/A	0	N/A	0
1996	0	N/A	0	N/A	0	N/A	0
1995	0	N/A	0	N/A	0	N/A	0
1994	0	N/A	0	N/A	0	N/A	0
1993	0	N/A	0	N/A	0	N/A	0
1992	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

Class No.	UCC at Beginning of Year	Cost of Additions During Year	Adjustments	Lesser of Cost or Proceeds	1/2 of [203]-[207]	Rate %	Recapture of Capital Cost Allowance	Terminal Loss	Capital Cost Allowance	Undepreciated Capital Cost end of year
[200]	[201]	[203]	[205]	[207]	[211]	[212]	[213]	[215]	[217]	[220]
1	0	0	9,918,259	0	0	4	0	0	99,998	9,818,261
8	0	0	534,974	0	0	20	0	0	26,969	508,005
10	0	0	379,617	0	0	30	0	0	28,705	350,912
12	0	0	15,000	0	0	100	0	0	3,781	11,219
Total	0	0	10,847,850	0	0		0	0	159,453	10,688,397

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

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

- For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide".
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

Part 1 - Calculation of current year deduction and carry-forward**Cumulative eligible capital - Balance at end of preceding taxation year**(if negative, enter "0") **200** 0 A**Add:**Cost of eligible capital property acquired during
the taxation year **222** 2,413,596 BAmount transferred on amalgamation or wind-up
of subsidiary **224** 0 COther adjustments **226** 0 D

(add amounts B, C, and D) 2,413,596 x 0.75 = 1,810,197 E

Subtotal (amount A plus amount E)..... 230 1,810,197 F**Deduct:**Proceeds of sale (less outlays and expenses not otherwise deductible)
from the disposition of all eligible capital property during
the taxation year **242** 0 GThe gross amount of a reduction in respect of a forgiven debt
obligation as provided for in subsection 80(7) **244** 0 HOther adjustments **246** 0 I(add amounts G, H, and I) 0 x 0.75 = **248** 0 J**Cumulative eligible capital balance (amount F minus amount J)..... 1,810,197 K**
(if amount K is negative, enter "0" at line M and proceed to Part 2)**Current year deduction..... amount K 1,810,197 x 7.00% = 250 31,939 L**
(enter amount L at line 405 of Schedule 1)**Cumulative eligible capital - Closing balance..... 300 1,778,258 M**
Amount K minus amount L (if negative, enter "0")**Note**

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after
September 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in
the taxation year divided by 365.

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

(complete this part only if the amount at line K is negative)

Amount from line K above (show as a positive amount) 0 N

Total of cumulative eligible capital deductions from income for
taxation years beginning after June 30, 1988. 400 0 1Total of all amounts which reduced cumulative eligible capital in
the current or prior years under subsection 80(7). 401 0 2Total of cumulative eligible capital deductions claimed for
taxation years beginning before July 1, 1988. 402 0 3Negative balances in the cumulative eligible capital account
that were included in income for taxation years beginning
before July 1, 1988. 408 0 4

Line 3 minus line 4. 0 0 5

Total of lines 1, 2, and 5. 0 6

Line T from Schedule 10 of previous taxation years ending
after February 27, 2000. 409 0 7

Line 6 minus line 7. 0 0 O

Line N minus line O (cannot be negative). 0 P

Amount on line 5 0 x 1/2. 0 Q

Line P minus line Q. 0 R

Amount on line R 0 x 2/3 *. 0 S

Lesser of line N or line O. 0 T

Amount to be included in income on line 108 of Schedule 1,

line S plus line T

For taxation years ending before February 28, 2000,

line N - line Q. 410 0* For taxation years ending after February 27, 2000, and before October 18, 2000,
use fraction 8/9 to calculate line S.

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

PART I.3 TAX ON LARGE CORPORATIONS
(1998 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
 - 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt [as defined by subsection 128(3)] at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

Filing date (for departmental use only) 100

Year Month Day

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation is not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I.	101	0
Capital stock (or members' contributions if incorporated without share capital).	103	4,234,195
Retained earnings.	104	11,407
Contributed surplus.	105	0
Any other surpluses.	106	4,158,106
Deferred unrealized foreign exchange gains.	107	0
All loans and advances to the corporation.	108	475,000
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations.	109	4,725,070
Any dividends declared but not paid by the corporation before the end of the year.	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year.	111	504,437

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts
(that would be determined under lines 101, 107, 108, 109, 111 and 112)
in respect of the partnership of which the corporation is a member
at the end of the year exceeds the amount of the partnership's deferred
unrealized foreign exchange losses (see note below).

112 0

Subtotal 14,108,215 14,108,215 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year. 121 0

Any deficit deducted in computing the shareholders' equity. 122 0

Any amount deducted under subsection 135(1) in computing income under

Part I for the year, to the extent that the amount may reasonably be

regarded as being included in any of lines 101 to 112 above. 123 0

The amount of deferred unrealized foreign exchange losses. 124 0

Subtotal 0 0 B

Capital for the year (amount A minus amount B) (if negative, enter "0"). 190 14,108,215

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation. 401 0

A loan or advance to another corporation (other than a financial institution). 402 0

A bond, debenture, note, mortgage, or similar obligation of another corporation
(other than a financial institution). 403 0

Long-term debt of a financial institution. 404 0

A dividend receivable on a share of the capital stock of another corporation. 405 0

A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of,
a partnership all of the members of which, throughout the year, were other corporations
(other than financial institutions) that were not exempt from tax under Part I.3

[other than by reason of paragraph 181.1(3)(d)]. 406 0

An interest in a partnership. 407 0

Investment allowance for the year. 490 0

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of,
a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of
the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190). 14,108,215 C

Deduct: Investment allowance for the year (line 490). 0 D

Taxable capital for the taxation year

(amount C minus amount D) (if negative, enter "0"). 500 14,108,215

			line 690 of this schedule		
c) line 600 from the T2 return	0	x	14,108,215	=	0

			14,108,215		
			line 500 of this schedule		
d) line 700 from the T2 return					0
Current year surtax credit (amount H or I, whichever applies)					830
					0

Amount on line 830.....	0	
Less: Part I.3 tax before deducting surtax credits (line 820).....	2,330	J

Net amount	-2,330	K

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year. 2,330 M

Amount K (if positive)	0
Less: Part I.3 tax credits claimed	
(carried forward from taxation years prior to 1992 - see amount L above)	0
Current year unused surtax credit (enter this amount on Schedule 37)	0

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)		2,330	N
Deduct the following amounts:			
Current year surtax credit applied (the lesser of lines 820 and 830)	861	0	
Unused surtax credit from prior years applied	862	0	

Total (cannot exceed amount on line 820)		0	0 O

Net Part I.3 tax payable (amount N minus amount O)			
Enter this amount at line 704 of the T2 return	870	2,330	=====

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

SHAREHOLDER INFORMATION
(1998 and later taxation years)

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

Name of shareholder	Business Number	Social Insurance Number	Percentage common shares	Percentage preferred shares
	(note 1)	(note 2)		
	100	200	400	500
City of Port Colborne	NR		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.**Note 2:** If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.**Note 3:** If a trust holds 10% or more of the corporation's common or preferred shares, enter "SB" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

2001 CNPI CT23 PROVINCIAL TAX RETURN



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

2001/2002

CT23 Corporations Tax and Annual Return Update

For taxation years
commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purpose, depending on which criteria the corporation satisfies, you must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on Pages 3 - 18, together with the applicable schedules on pages 19-22. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common Page 1 and the MCBS Schedules A or K on pages 23 and 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Refer to Guide) ☒ Yes ☐ No

Page 1 of 24

Ministry Use

Corporation's Legal Name (including punctuation) and Mailing Address

CANADIAN NIAGARA POWER INC.
1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Ontario Corporations Tax Account No. (MCH)

5998695

This CT23 return covers the Taxation Year

Start

year month day
2001/01/01

End

year month day
2001/12/31

Has address changed since
last filed CT23 return?

Yes ☐

Date of
Change

Date of Incorporation or Amalgamation

year month day
1999/02/17

Registered/Head Office Address

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Ontario Corporation No. (MCBS)

1341103

Location of Books and Records

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Canada Customs and Revenue Agency
(formerly Revenue Canada) Business No.

If applicable, enter

872498225 RC 0001

Person to contact regarding this CT23 Return

HARRY CLUTTERBUCK

Telephone No.

(905) 871-0330

Fax No.

(905) 871-8676

Jurisdiction

Incorporated:

ONTARIO

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

(MCBS)

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

Commenced:

year month day

Ceased:

year month day

Former Corporation Name (Extra-Provincial Corporations only)

Not Applicable ☒

(MCBS)

(Not Applicable) ☒

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

No. of Schedules

Language of Choice / Langue de preference:

English
anglais ☒

French
français ☐

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

☒ No
Change

Ministry
Use



Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.
Signature of Authorized Person (Print clearly or type in full)

TIMOTHY B CURTIS

Title:

D

O

P

☐

Director

☒

Officer

☐

Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

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

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

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

If applicable, enter

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

If applicable, enter

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

Specify major business activity:

ELECTRICAL ENERGY

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

- ☐ First Year of Filing ☐ Final Taxation Year up to Dissolution (wind-up) ☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario
- ☐ Amended Return ☐ Final Taxation Year before Amalgamation ☐ Acquisition of Control fed s.249(4)
- ☐ Taxation Year End has changed - Canada Customs
and Revenue Agency (formerly Revenue Canada)
approval required ☐ Floating Fiscal Year End
- Date Control was acquired
year month day

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

Income Tax

CT23 Page 4 of 24

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39)(Int. B. 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16) - - - - - ± From 690 -92,312

ct: Charitable donations - - - - - 1

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule) - - - - - 2

Subtract: Taxable dividends deductible, per federal T2 SCH 3 - - - - - 3

Subtract: Ontario political contributions (Attach schedule) - - - - - 4

Subtract: Federal Part VI.1 tax - - - - - X 94 5

Subtract: Prior years' losses applied - - - - -

Non-capital losses - - - - - From 704

Net capital losses From 715 (page 17) X inclusion rate % = 714

Farm losses - - - - - From 724

Restricted farm losses - - - - - From 734

Limited partnership losses - - - - - From 754

Taxable income (Non-capital loss) - - - - - = 10 -92,312

Addition to taxable income for unused foreign tax deduction for federal purposes - - - - - + 11

Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) - - - - - = 20

Taxable income

From 10 (or 20 if applicable)

Ontario Allocation

- X 30 100.0000 % X 14.5% X

- X 30 100.0000 % X 14.0% X

- X 30 100.0000 % X 12.5% X

- X 30 100.0000 % X 11.0% X

Number of Days in Taxation Year		
Days after May 1, 2000 and before Jan 1, 2001	Total Days	
24	73	365
Days after Dec 31, 2000 and before Oct 1, 2001	Total Days	
26	73	365
Days after Sept 30, 2001 and before Jan 1, 2003	Total Days	
28	73	365
Days after Dec 31, 2002 and before Jan 1, 2004	Total Days	
31	73	365

Income Tax Payable (before deduction of tax credits) 25 + 27 + 29 + 32 - - - - - = 40

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

*** (If this section is not completed, IDSBC will be denied.) ***

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

(X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) - - - - - 50

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

Add: Losses of other years deducted for federal purposes (fed.s.111) - - - - - + 52

Subtract: Losses of other years deducted for Ontario purposes (s.34) - - - - - - 53

Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$200,000) (Attach federal T2 SCH 23 if associated) - - - - - + 54

Add: Ontario enhancement of federal business limit - - - - - + 55

Number of days in Taxation Year

40,000 X Days from 26 above Total days 273 ÷ 73 365 X From 55 ÷ 200,000 - - - - - + 42

80,000 X Days from 28 above Total days 92 ÷ 73 365 X From 55 ÷ 200,000 - - - - - + 43

120,000 X Days from 31 above Total days ÷ 73 365 X From 55 ÷ 200,000 - - - - - + 46

enhancement of federal business limit 42 + 43 + 46 - - - - - = 44

Business Limit for Ontario purposes - - - - - 55 + 44 = 45

Income eligible for the IDSBC - - - - - From 30 100.0000 % X 56 = 60

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

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF) 5998695
Taxation Year End 2001/12/31

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DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

Number of Days in Taxation Year

	Days after Dec 31, 1999 and before Oct 1, 2001	Total days		
7.5% X	76 273	÷ 73 365	= +	77 5.6096
	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
6.5% X	28 92	÷ 73 365	= +	79 1.6384
	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
5.5% X	31	÷ 73 365	= +	89

IDSBC Rate for Taxation Year 77 + 79 + 89 = 78 7.2480

Claim From 60 X From 78 7.2480 % = 70

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

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

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

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

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

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

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

Name of associated corporation (Canadian & foreign)	Ontario Corporations Tax Account No.(MOF)	Taxation Year End	**Taxable Income
			+ 82
			+ 83
			+ 84
			= 85

Aggregate of Taxable Income 80 + 82 + 83 + 84, etc

Number of Days in Taxation Year

Subtract:	200,000 X	Days before Jan 1, 2001	Total days		
		558	÷ 73 365	= +	111
	240,000 X	Days after Dec 31, 2000 and before Oct 1, 2001	Total days		
		26 273	÷ 73 365	= +	112 179,507
	280,000 X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
		28 92	÷ 73 365	= +	113 70,575
	320,000 X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
		31	÷ 73 365	= +	115
		111 + 112 + 113 + 115	=		250,082
				- 114	250,082
				= 86	

(If negative, enter nil)

Number of Days in Taxation Year

	Days after Dec 31, 1999 and before Oct 1, 2001	Total days		
5.0% X	76 273	÷ 73 365	= +	93 3.7397
	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
4.333% X	28 92	÷ 73 365	= +	95 1.0922
	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
3.667% X	31	÷ 73 365	= +	96

Specified rate of surtax for Taxation Year 93 + 95 + 96 = 94 4.8319

From 86 X From 94 4.8319 % = 87

From 87 X From 60 ÷ From 114 250,082 = 88

Surtax Lesser of 70 or 88 = 100

continued on Page 6

Income Tax continued from Page 5

DOLLARS ONLY

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

110

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

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

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

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

Eligible Canadian Profits - - - - - + 120
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56
Add: Adjustment for Surtax on Canadian-controlled private corporations
From 100 - - - - - + From 30 100.0000 % + From 78 7.2480 % = 121
*Ontario Allocation

Lesser of 56 or 121 - - - - - + 122
120 - 56 + 122 - - - - - = 130

Taxable Income - - - - - + From 10
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56
Add: Adjustment for Surtax on Canadian-controlled private corporations - - - - - + From 122
Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - - - - - 140
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141
10 - 56 + 122 - 140 - 141 - - - - - = 142

Number of Days in Taxation Year

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 2.0% X
*Ontario Allocation
Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.5% X
*Ontario Allocation
Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.0% X
*Ontario Allocation

Days before Oct 1, 2001	Total days
152 273 ÷ 73	365
Days after Sept 30, 2001 and before Jan 1, 2003	Total days
28 92 ÷ 73	365
Days after Dec 31, 2002 and before Jan 1, 2004	Total days
31 ÷ 73	365

= + 153
= + 154
= + 155
= 160

M&P claim for taxation year 153 + 154 + 155 - - - - - = 160
*Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

= 161

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

= 162

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for sale for uses other than the generation of electricity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Inf.B.15-79 & 2739)(Attach schedule).

170

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit

175

Credit Claimed

180

Sub-total of Income Tax

40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 - - - - - = 190

continued on page 7

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)
5998695

Taxation Year End
2001/12/31

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DOLLARS ONLY

Income Tax

continued from Page 6

Specified Tax Credits (Refer to Guide)

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

Eligible Credit From **5620** OITC Claim Form (Attach original Claim Form) - - - - - + **191** 1,000

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

Eligible Credit From **5798** Summary Schedule F - - - - - + **192** 1,000

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

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From **5899** Claim Form Certified by Ontario Film Development Corporation - - - - - + **193**

(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - -

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

Applies to employment of eligible unemployed graduate students.

Eligible Credit From **6598** Summary Schedule G - - - - - + **195**

No. of Graduates From **6596**

194

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

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

Eligible Credit From **6900** OBPTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + **196**

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

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

Eligible Credit From **6700** Claim Form Certified by Ontario Film Development Corporation - - - - - + **197**

(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - -

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

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

Eligible Credit From **7100** OBRITC Claim Form (Attach original Claim Form) - - - - - + **198**

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

Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.

Eligible Credit From **7300** Claim Form certified by Ontario Film Development Corporation - - - - - + **199**

(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - -

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

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

Eligible Credit From **7400** Claim Form certified by Ontario Film Development Corporation - - - - - + **200**

(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - -

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

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

Eligible Credit From **7500** OSRTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + **201**

Total Specified Tax Credits **191** + **192** + **193** + **195** + **196** + **197** + **198** + **199** + **200** + **201** = **220** 1,000

Specified Tax Credits Applied to reduce Income Tax - - - - - = **225**

Income Tax **190** - **225** OR Enter NIL if reporting Non-Capital loss - - - - - = **230**

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on **Page 18**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Elimination of Applicability

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

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

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

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

* Total Assets of the corporation - - - - - + [240] 53,340,745
* Total Revenue of the corporation - - - - - + [241] 21,405,875

If you are a member of an associated group (x) [242] ☐ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
			+ [243]	+ [244]
			+ [245]	+ [246]
			+ [247]	+ [248]
Aggregate Total Assets	[240] + [243] + [245] + [247], etc		= [249] 53,340,745	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc			= [250] 21,405,875

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 19, 20 and 21 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 19.)

CMT Payable - - - CMT Base From [2135] 863,109 X From [30] 100.0000 % X 4% = [276] 34,524
if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - - [277]

Subtract: Income Tax - - - - - From [190]

Net CMT Payable (if negative, enter Nil on Page 18.) - - - - - = [280] 34,524

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from Page 7 to **Income Tax Summary, on Page 18.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to Page 18 and transfer [280] to Page 18, and to **Schedule D: Continuity of CMT**

Credit Carryovers, on Page 21.

CMT Credit Carryover available - - - - - From [2307] 70,603

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From [190]

Gross CMT Payable - - - - - + From [276] 34,524

Subtract: Foreign Tax Credit for CMT purposes - - - - - From [277]

If [276] - [277] is negative, enter NIL in [290] = 34,524

Income Tax eligible for CMT Credit - - - - - = [300] -34,524

B. Income Tax (after deduction of specified credits) - - - - - + From [230]

Subtract: CMT credit used to reduce income taxes - - - - - [310]

Income Tax - - - - - = [320]

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

Transfer to page 18

DOLLARS ONLY

Capital Tax (Refer to Guide)

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets

must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

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

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

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

Paid-Up Capital

Paid-up capital stock	- - - - -	+	350	21,400,000	As
Retained earnings (if deficit, deduct)	- - - - -	±	351	807,787	
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	- - - - -	+	352		
Loans and advances (Attach schedule)	- - - - -	+	353	25,034,040	School Attach
Bank loans	- - - - -	+	354		
Bankers acceptances	- - - - -	+	355		
Bonds and debentures payable	- - - - -	+	356		
Mortgages payable	- - - - -	+	357		
Lien notes payable	- - - - -	+	358		
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	- - - - -	+	359	As 456,215	
Contingent, investment, inventory and similar reserves	- - - - -	+	360	1,979,039	E ₁
Other reserves not allowed as deductions for income tax purposes (Attach schedule)	- - - - -	+	361		
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))	- - - - -	+	362		
Subtotal	- - - - -	=	370	49,677,081	
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)	- - - - -	-	371	4,141,477	G ₁
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	- - - - -	-	372		
Total Paid-up Capital	- - - - -	=	380	45,535,604	
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	- - - - -	-	381		
Net Paid-up Capital	- - - - -	=	390	45,535,604	

Eligible Investments (Refer to Guide)

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

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 (Refer to Guide)	- - - - -	+	400		
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+	402		
Mortgages due from other corporations	- - - - -	+	403		
Shares in other corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	404		
Loans and advances to unrelated corporations	- - - - -	+	405		
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	406		
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	- - - - -	+	407		
Total Eligible Investments	- - - - -	=	410		

continued on Page 10

DOLLARS ONLY

Total Assets

Assets per balance sheet	- - - - -	+	420	53,340,745
Liabilities or other liabilities deducted from assets	- - - - -	+	421	
Share of partnership(s)/joint venture(s) total assets <i>(Attach schedule)</i>	- - - - -	+	422	
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423	
Total Assets as adjusted	- - - - -	=	430	53,340,745
Amounts in 360 and 361 (if deducted from assets)	- - - - -	+	440	
Subtract: Amounts in 371, 372 and 381	- - - - -	-	441	4,141,477
Subtract: Appraisal surplus if booked	- - - - -	-	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	±	443	
Total Assets	- - - - -	=	450	49,199,268

Investment Allowance (410 ÷ 450) X 390 - - - - - Not to exceed 410 = 460

Taxable Capital 390 - 460 - - - - - = 470 45,535,604

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - - - 480 21,405,875

Total Assets (as adjusted) - - - - - From 430 53,340,745

Calculation of Capital Tax for all corporations except Financial Institutions*Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.**(Financial Institutions use calculations on page 14.)***Important:**

- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B on pages 10 to 11 and select and complete the one specific subsection (e.g. B4) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

Section A

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

Enter NIL in 550 on page 13 and complete the return from that point.

Section B

This section applies if the corporation is NOT a member of an associated group and/or partnership

- B1.** If the taxation year end is before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B2.** If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B3.** If the taxation year commences after September 30, 2001 and 430 and 480 are both \$3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B4.** If taxable capital, 470 is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

Capital Tax Calculation *continued from Page 10*

B5. If taxable capital, [470] on page 10, exceeds \$2,000,000 but is \$5,000,000 or less, complete the following calculations and transfer the total from [508] to [543] on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

+ (a) From [470] 45,535,604 X 0.3% =+ [490]

Deduct:

From [470]
\$2,800,000 - 45,535,604 X 0.75% =- [493]
If 2,800,000 - is negative, enter NIL in [493]

Days in taxation year
after Dec 31, 1999
and
before Jan 1, 2001
[553]

([506] = [490] - [493]) = [506] X From [30] 100.0000 % X =+ [507]

Ontario Allocation

**365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

+ (b) From [470] 45,535,604 X 0.3% =+ [490]

Deduct:

From [470]
\$3,200,000 - 45,535,604 X 0.5% =- [495]
If 3,200,000 - is negative, enter NIL in [495]

Days in taxation year
after Dec. 31, 2000
and
before Oct. 1, 2001
[558]

([509] = [490] - [495]) = [509] X From [30] 100.0000 % X 273 =+ [522]

Ontario Allocation

**365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (c) Capital Tax for that portion of a taxation year after September 30, 2001 for a corporation whose taxable capital is \$5,000,000 or less and that is not associated, is NIL - - - - - + NIL

= Total Capital Tax for the taxation year [507] + [522] - - - - - =+ [508]

Transfer to [543] on page 13
and complete the return from that point.

B6. If taxable capital, [470] on page 10, exceeds \$5,000,000, complete the following calculation and transfer the amount From [508] to [543] on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

+ (a) From [470] 45,535,604 X From [30] 100.0000 % X 0.3% X [559] - - =+ [502]
Days in taxation year before October 1, 2001

Ontario Allocation

**365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (b) From [470] 45,535,604
5,000,000

= [471] X From [30] 100.0000 % X 0.3% X [560] - - =+ [523]
Days in taxation year after September 30, 2001

Ontario Allocation

**365 (366 if leap year)

= Total Capital tax for the taxation year [502] + [523] - - - - - = [508]

Transfer to [543] on page 13
and complete the return from that point

** If floating taxation year, refer to Guide.

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and ☐ 510 ☒ (Yes)
 Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital - - - - - + From ☐ 470 45,535,604

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+ <input type="checkbox"/> 531
			+ <input type="checkbox"/> 532
			+ <input type="checkbox"/> 533
+ Aggregate Taxable Capital <input type="checkbox"/> 470 + <input type="checkbox"/> 531 + <input type="checkbox"/> 532 + <input type="checkbox"/> 533, etc - - - - -			= <input type="checkbox"/> 540 45,535,604

If ☐ 540 above is \$5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL. Enter NIL in ☐ 523 in E1(c) or E2(b) on page 13.

If ☐ 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From ☐ 470 45,535,604 ÷ From ☐ 540 45,535,604 X 5,000,000 - - - - - = ☐ 541 5,000,000

Transfer to Section E2(b) on page 13

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+ <input type="checkbox"/> 511
			+ <input type="checkbox"/> 512
			+ <input type="checkbox"/> 513
+ <input type="checkbox"/> 511 + <input type="checkbox"/> 512 + <input type="checkbox"/> 513, etc - - - - -			= <input type="checkbox"/> 514
= Aggregate Taxable Capital <input type="checkbox"/> 540 + <input type="checkbox"/> 514 - - - - -			= <input type="checkbox"/> 520 45,535,604

If ☐ 520 is greater than \$2,000,000

If ☐ 520 is greater than \$2,000,000 and less than \$3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From ☐ 470 45,535,604 ÷ From ☐ 520 45,535,604 = ☐ 521

Transfer to Section E1(a) and/or (b) as applicable, on page 13

Note: ☐ 521 cannot exceed 1.00000

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, ☐ 520 on this page, is \$2,000,000 or less.

Enter NIL in ☐ 550 on page 13 and complete the return from that point.

CANTAX T2, 2001/2002 CT23 Update, version 02.1.307 Approval Code 0086

Calculation of Capital Tax for Financial Institutions

Credit Unions Only

taxation years commencing **after May 4, 1999** enter NIL in 550 on page 13, and complete the return from that point.

I.2. Other than Credit Unions

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

565 X 0.6% X From 30 100.0000 % X 555 365 ÷ **365 = + 569
 Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1
 Ontario Allocation (366 if leap year)

570 _____ X 571 _____ % X From 30 100.0000 % X 555 365 \div = + 574 _____
 Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount
 Capital Tax Rate (Refer to Guide)
 Ontario Allocation
 *365 (366 if leap year)

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

**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

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

<p>able Credit for Eligible Investments - - - - -</p> <p>cial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes <input type="checkbox"/></p>	<p>585</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------

Capital Tax - Financial Institutions 575 - 585 - - - - - = 586

Transfer to 543 Page 13

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

(1) Uninsured Benefits Arrangements - - - - - 587 State debt in Ontario, except for amounts related to the Ontario Pension Plan, is not subject to the 2% rate. X 2% - - = 588 State debt in Ontario, except for amounts related to the Ontario Pension Plan, is not subject to the 2% rate.

Applies to Ontario-related uninsured benefits arrangements

(2) Unlicensed Insurance (enter premium tax payable in and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in .)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

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

Premium Tax 588 - 589 - - - - - = 590

Transfer to Page 18

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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - ± 600 -91,312
Transfer to Page 16

Add:

Federal capital cost allowance - - - - -	+ 601	2,570,062
Federal cumulative eligible capital deduction - - - - -	+ 602	
Ontario taxable capital gain - - - - -	+ 603	
Federal non-allowable reserves. Balance beginning of year - - - - -	+ 604	277,422
Federal allowable reserves. Balance end of year - - - - -	+ 605	185,505
Ontario non-allowable reserves. Balance end of year - - - - -	+ 606	49,069
Ontario allowable reserves. Balance beginning of year - - - - -	+ 607	232,387
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+ 608	
Federal resource allowance - - - - -	+ 609	
Federal depletion allowance - - - - -	+ 610	
Federal foreign exploration and development expenses - - - - -	+ 611	
Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼		

Number of Days in Taxation Year

612	X 5/14.5 x	Days after May 1, 2000 and before Jan. 1, 2001	Total Days	24	÷ 73	365	= + 631
612	X 5/14.0 x	Days after Dec 31, 2000 and before Oct. 1, 2001	Total Days	26	÷ 73	365	= + 632
612	X 5/12.5 x	Days after Sept. 30, 2001 and before Jan. 1, 2003	Total Days	28	÷ 73	365	= + 633
612	X 5/11.0 x	Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days	31	÷ 73	365	= + 634

Total add-back amount for Management fees, etc. 631 + 632 + 633 + 634 = ▶ 613

Federal allowable business investment loss - - - - - + 620

Items allowed federally but disallowed by Ontario:

- - - - - +

- - - - - +

Total of other items not allowed by Ontario but allowed federally (Attach schedule) - - - - - ▶ 614

Add: Federal Scientific Research Expenses claimed in year from fed form T661 - - - - - + 615

Sub Total of Additions 601 to 614 + 615 + 620 - - - - - = 640 3,314,445
Transfer to Page 16

DOLLARS ONLY

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

Continued from Page 15

Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From \pm 600 -91,312

Sub Total of Additions - - - - - From $=$ 640 3,314,445

Deduct:

Ontario capital cost allowance - - - - - + 650 2,570,062

Ontario cumulative eligible capital deduction - - - - - + 651

Federal taxable capital gain - - - - - + 652

Ontario non-allowable reserves. Balance beginning of year - - - - - + 653

Ontario allowable reserves. Balance end of year - - - - - + 654 185,505

Federal non-allowable reserves. Balance end of year - - - - - + 655 326,491

Federal allowable reserves. Balance beginning of year - - - - - + 656 232,387

Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) - - - - - + 657

Ontario depletion allowance - - - - - + 658

Ontario resource allowance - - - - - + 659

Ontario research and development super allowance (Attach schedule) - - - - - + 660

Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget + 674

Ontario current cost adjustment (Attach schedule) - - - - - + 661

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662

ONTTI Gross-up deduction calculation:

From 662 Gross-up of CCA \times 100 - From 662 = 663

From 30 100.0000

Ontario Allocation

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 \times 30% \times 100 = 666

From 30 100.0000

Ontario Allocation

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 \times 100% \times 100 = 668

From 30 100.0000

Ontario Allocation

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.)(Refer to guide)

Qualifying expenditures: 670 \times 30% \times 100 = 671

From 30 100.0000

Ontario Allocation

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 \times 15% \times 100 = 673

From 30 100.0000

Ontario Allocation

Ontario allowable business investment loss - - - - - + 678

Items disallowed federally but allowed by Ontario:

ONTARIO SPECIFIED TAX CREDITS 1,000

Sum of other deductions allowed by Ontario (Attach schedule) - - - - - + 664 1,000

Net Ontario Scientific Research Expenses claimed in year from Ont form CT161 - - - + 679

Sub Total of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 = 3,315,445 680 3,315,445

Net income (loss) for Ontario purposes 600 + 640 - 680 = 690 -92,312

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 55,556	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701 92,312	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703 92,312	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704	715 (4)	724	734 (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 18	716 (2) To Page 18	726 (2) To Page 18	736 (2) To Page 18	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8) 147,868	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Notes:

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

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1992/12/31				850	870
801 1993/12/31				851	871
802 1994/12/31				852	872
803 1995/12/31	820	830	840	853	873
804 1996/12/31	821	831	841	854	874
805 1997/12/31	822	832	842	855	875
806 1998/12/31	823	833	843	856	876
807 1999/12/31	824 55,556	834	844	857	877
808 2000/12/31	825	835	845	858	878
809 2001/12/31	826 92,312	836	846	859	879
Total	829 147,868	839 <NIL>	849 <NIL>	869 <NIL>	889

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

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

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

• Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

• Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

• Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

• The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

• If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 92,312	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations's Taxation Year Ending Tax Account No. (MOF) YYYY MM DD	911	921	931	941
i) 3rd preceding 901 1998/12/31	912	922	932	942
ii) 2nd preceding 902 1999/12/31	913	923	933	943
iii) 1st preceding 903 2000/12/31	From 706	From 716	From 726	From 736
Total loss to be carried back	919	929	939	949
Balance of loss available for carry-forward	92,312			

Summary

Income Tax	- - - - + From 230 or 320	
Corporate Minimum Tax	- - - - + From 280	34,524
Capital Tax	- - - - - - - + From 550	131,826
Premium Tax	- - - - - - - + From 590	
Total Tax Payable	- - - - - = 950	166,350
Subtract: Payments	- - - - - - 960	125,832
Capital Gains Refund (s.48)	- - - - - - 965	
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- - - - - - 985	
Specified Tax Credits (Refer to Guide)	- - - - - - 955	
Balance	- - - - - - = 970	40,518
If payment due	- - - - - Enclosed* 990	40,518
If overpayment: Refund (Refer to Guide)	= 975	
Apply to	year month day 980	
	(includes credit interest)	

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **MINISTER OF FINANCE**. Print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order.

Certification

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

Name (please print)

TIM CURTIS

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

100 Dorchester Drive

Grimsby ON
CA L3M1A8

Signature

Date

30/06/2002

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

Please complete
Corporation's Legal Name

CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)
5998695

Taxation Year End
2001/12/31

CT23 Schedule A

Page 19 of 24

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - ± [2100] 383,181

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes - - - - - + [2101]
Provision for deferred income taxes (credits) - - - - - + [2102]
Equity income from corporations - - - - - + [2103]
Share of partnership(s)/joint venture(s) income - - - - - + [2104]
Dividends received/receivable deductible under fed.s.112 - - - - - + [2105]
Dividends received/receivable deductible under fed.s.113 - - - - - + [2106]
Dividends received/receivable deductible fed.s.83(2) - - - - - + [2107]
Federal Part VI.1 tax paid on dividends declared and paid
after May 5, 1997, under fed.s.191.1(1) X 9/4 - - - - - + [2108]

Subtotal - - - - - = [2109]

Add (to extent reflected in net income/loss):

Provision for current taxes - - - - - + [2110] 188,804
Provision for deferred income taxes (debits) - - - - - + [2111] 291,124
Equity losses from corporations - - - - - + [2112]
Share of partnership(s)/joint venture(s) losses - - - - - + [2113]
Dividends that have been deducted to arrive at net income per Financial Statements.
Applies to dividends that have been declared and paid after May 5, 1997, s.57.4(1.1)
(excluding dividends under fed.s.137(4.1)) - - - - - + [2114]

Subtotal - - - - - = 479,928 [2115] 479,928

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + [2116] or - [2117]
** Fed. s.85.1 - - - - - + [2118] or - [2119]
** Fed. s.97 - - - - - + [2120] or - [2121]
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + [2122] or - [2123]
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + [2124] or - [2125]
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years - - - - - + [2126] or - [2127]

Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - [2150]

Subtotal (Additions) - - - - - = [2128]

Subtotal (Subtractions) - - - - - = [2129]

** Other adjustments - - - - - ± [2130]

Subtotal ± [2100] - [2109] + [2115] + [2128] - [2129] ± [2130] = [2131] 863,109

** Share of partnership(s)/joint venture(s) adjusted net income/loss - - - - - ± [2132]

Adjusted net income (loss)

(if loss, transfer to [2202] in *Schedule B: Continuity of CMT Losses Carried Forward, Page 20*) = [2133] 863,109

Deduct * CMT losses: pre-1994 Loss - - - - - + From [2210]

* CMT losses: other eligible losses - - - - - + From [2211]

= [2134]

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = [2135] 863,109

Transfer to CMT Base, Pa

Please complete
Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)
5998695

Taxation Year End
2001/12/31

CT23
Schedule D & E
Page 21 of 24

Corporate Minimum Tax (CMT)



DOLLARS ONLY

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)	- - - - -	+	2301	36,079	9
Add:					
Current year's CMT credit (280 on page 8, if negative, enter NIL)	- - - - -	+	From 280	34,524	9
CMT Credit Carryovers from predecessor corporations (2)	- - - - -	+	2302		9
Amalgamation (X) 2303 <input type="checkbox"/> Yes					
Wind-up (X) 2304 <input type="checkbox"/> Yes					
Subtotal	- - - - -	=		34,524	9
			+	2305	34,524
Adjustments (Attach schedule)	- - - - -	±	2306		9
CMT credit carryover available	2301 + 2305 ± 2306	- - - - -	▶	2307	70,603
					Transfer to Page 8
Subtract:					
CMT Credit utilized during the year to reduce income tax (Page 8)	- - - - -	+	From 310		9
CMT Credit expired during the year	- - - - -	+	2308		9
Subtotal	- - - - -	=			9
			▶	2309	
Balance at End of Year (3)	2307 - 2309	- - - - -	▶	2310	70,603

Notes:

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

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

	Year of Origin (oldest year first) YYYY MM DD	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340		2360	2380
2341	1993/12/31	2361	2381
2342	1994/12/31	2362	2382
2343	1995/12/31	2363	2383
2344	1996/12/31	2364	2384
2345	1997/12/31	2365	2385
2346	1998/12/31	2366	2386
2347	1999/12/31	2367 22,532	2387
2348	2000/12/31	2368 13,547	2388
2349	2001/12/31	2369 34,524	2389
Totals		2370 70,603	2390

The sum of amounts 2370 + 2390 must equal
amount in 2310

Schedule F: Summary of Co-operative Education Tax Credit Claimed

CT 23 Schedules F & G
Page 22 of 24

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements commencing after July 31, 1996 and leading-edge technology work placements commencing after December 31, 1997. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2000 taxation year end, hires an eligible student from September 1, 2000 until April 30, 2001, this would be

Qualifying work placements



DOLLARS ONLY

considered 2 work placements. The first work placement is September 1, 2000 to December 31, 2000 and would be claimed in the 2000 taxation year. The second placement is January 1, 2001 to April 30, 2001 and must be claimed in the 2001 taxation year.

Name of University / College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates year month day	Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. \$1,000 per work placement)
NIAGARA COLLEGE	SIDEY	510674096	From 2001/04/30	5750	5776
ELECT ENGINEERIN	KEVIN		To 2001/12/24	17,860	1,000
			From	5751	5777
			To		
			From	5752	5778
			To		
				5774	5798
Totals				17,860	1,000

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year A \$ 1,800,000

If A is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%.

If A is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05(1,800,000 - \$400,000) / \$200,000]

Indicate rate used: 10.0 % * Credit claimed equals ECP multiplied by rate

From A

Transfer to 192 Page 7

Schedule G: Summary of Graduate Transitions Tax Credit Claimed

Complete a separate entry for each graduate, that is unrelated to the employer, that has worked full-time for a minimum of a six month period. This credit applies to new hires commencing after May 6, 1997 for a maximum credit of \$4,000 each and may only be claimed once.

Example: A taxpayer, with a December 31, 2000 taxation year end, hires an otherwise eligible graduate on June 1, 2000 who is still employed on December 31, 2001 at a salary of \$3,500 per month. The salaries and wages in the taxpayer's

preceding taxation year was \$700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 2000 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2001 taxation year. The credit claimed is the lesser of 10% of salary for the maximum of 12 months of employment (10% X \$3,500 X 12 = \$4,200) or \$4,000.

Qualifying Employment

Name of University / College and Date Program Completed	Name of Graduate	Social Insurance No. of Graduate	Employment Period year month day	Qualified Eligible Expenditures (QEE)	*Credit Claimed (See notes Below) (max. \$4,000 per graduate)
			From	6551	6576
			To		
			From	6552	6577
			To		
			From	6553	6578
			To		
Totals				6574	6598

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year A \$

If A is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%.

If A is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05(1,800,000 - \$400,000) / \$200,000]

Indicate rate used: 15.00 % * Credit claimed equals QEE multiplied by rate.

From A

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Total Number of Graduates

= 6596

Transfer to 194 Page 7 of the Tax Return

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2001/12/31

Part 3 - Gifts to Her Majesty in right of Ontario

For use by a corporation claiming gifts to Her Majesty in right of Ontario, to Ontario crown agencies,
or to Ontario Crown foundations.

Gifts to Ontario Crown agency or Ontario Foundation at the end of the preceding taxation year	+	
Deduct: Gifts expired after 5 years	-	
Gifts to Ontario Crown agency or Ontario Foundation at the beginning of the taxation year	=	
Add: Gifts transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts	+	
Subtotal	=	
Deduct: Amount applied against taxable income <input type="text" value="2"/> of the CT23	-	
Gifts to Ontario Crown agency or Ontario Crown Foundation closing balance	=	

Foundation Name	Date of Donation	Amount \$
Total gifts to Her Majesty in right of Ontario		=

Part 4 - Maximum deduction calculation for gifts to Her Majesty in right of Ontario

Deduction is the lesser of:

- Ontario Net Income before deductions of gifts after deducting charitable donations
and gifts to Her Majesty in right of Canada or a province other than Ontario **U**
 - Lesser of
 - Ontario Net Income for the taxation year **V**
 - Gifts made in the taxation year or any of the five preceding taxation years to Her
Majesty in right of Ontario, an Ontario Crown agency or an Ontario Crown foundation **W**

The Lesser of **V** and **W** **X**
- Maximum deduction allowable the lesser of U and X** **Y**

Transfer to of the CT23

Part 5 - Gifts to Canada or province other than Ontario

Gifts to Canada or a province other than Ontario at the end of the preceding taxation year	+	
Deduct: Gifts to Canada or a province other than Ontario expired after five taxation years	-	
Gifts to Canada or a province other than Ontario at the beginning of the taxation year	=	
Add: Gifts to Canada or a province other than Ontario transferred on amalgamation or wind-up of a subsidiary	+	
Total current year Gifts to Canada or a province other than Ontario (Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date)	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts to Canada or a province other than Ontario closing balance	=	



Ontario

Ministry of Finance

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

Ontario Charitable Donations and Gifts
Schedule 2 page 1 of 3

Corporation's Legal Name NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2001/12/31
-------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

- For use by corporations to claim any of the following:
 - Charitable donations;
 - Gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations;
 - Gifts to Canada or a province;
 - Gifts of certified cultural property; or
 - Gifts of certified ecologically sensitive land.
- The donations and gifts are eligible for a five year carry-forward.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the *federal Income Tax Act*(ITA).
- File one completed copy of this schedule with your CT23.

Part 1 - Charitable Donations

Charitable donations at end of preceding taxation year	+		A
Deduct: Donations expired after 5 taxation years	-		B
Charitable donations at beginning of taxation year	=		C
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	+		D
Total current year charitable donations made	+	250	E
Subtotal D + E	=	250	F
Total donations available C + F	= +	250	G
Deduct: Amount applied against taxable income: (amount T)	-		T
Charitable donations closing balance	=	250	H

Part 2 - Maximum deduction calculation for donations

Ontario net income for tax purposes multiplied by 75% = **I**

Note: For credit unions the Ontario net income for tax purposes is the amount before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Ontario taxable capital gains arising in respect of gifts of capital property + **J**

Ontario taxable capital gain in respect of deemed gifts
of non-qualifying securities per subsection 40(1.01)ITA + **K**

Add the lesser of:

- The amount of the recapture of capital cost allowance in respect of charitable gifts **L**
- The lesser of:**
 - Proceeds of dispositions less outlays and expenses **M**
 - The capital cost **N**

The lesser of amounts **M** and **N** **O**

The lesser of amounts **L** and **O** + **P**

Subtotal J + K + P = **Q**

25% X **Q** = **R**

Maximum deduction allowable I + R = **S**

Claim for charitable donations: (not exceeding the lesser of **G** from Part 1, **S** and net income for tax purposes) **T**

Enter the amount in box **1** of the CT23

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
ADIAN NIAGARA POWER INC.	5998695	2001/12/31

Part 6 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	+	_____
Deduct: Gifts of certified cultural property expired after five years	-	_____
Gifts of certified cultural property at the beginning of the taxation year	=	_____
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	+	_____
Total current year gifts of certified cultural property	+	_____
Subtotal	=	_____
Deduct: Amount applied against taxable income	-	_____
Gifts of certified cultural property closing balance	=	_____

Part 7 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	+	_____
Deduct: Gifts of certified ecologically sensitive land expired after five years	-	_____
Gifts of certified ecologically sensitive land at the beginning of the taxation year	=	_____
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	+	_____
Total current year gifts of certified ecologically sensitive land	+	_____
Subtotal	=	_____
Deduct: Amount applied against taxable income	-	_____
Gifts of certified ecologically sensitive land closing balance	=	_____

Part 8 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Her Majesty in right of Ontario	Gifts to Canada or a province other than Ontario	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1997/12/31	_____	_____	_____	_____	_____
1998/12/31	_____	_____	_____	_____	_____
1999/12/31	_____	_____	_____	_____	_____
2000/12/31	_____	_____	_____	_____	_____
2001/12/31	250	_____	_____	_____	_____
Totals	250	_____	_____	_____	_____

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2001/12/31

Part 9 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996				<NIL>	
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001		250			250
Total		250			250

Part 10 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>

Part 11 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>

Part 12 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1996					
31/12/1997					<NIL>
31/12/1998					<NIL>
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
Total					<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

(1998 and later taxation years)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 5998695	Taxation Year End 2001/12/31
-----------------------------------------------------------	-----------------------------------	----------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		31,254,889	6,673,301		416,906	37,511,284	3,128,198	34,383,086	4.0	1,375,323	36,135,961
2		3,419,750				3,419,750		3,419,750	6.0	205,185	3,214,565
8		801,479	42,045		25	843,499	21,010	822,489	20.0	164,498	679,001
10		1,136,940	421,884		22,000	1,536,824	199,942	1,336,882	30.0	401,065	1,135,759
12		246,504	354,975			601,479	177,488	423,991	100.	423,991	177,488
Total		36,859,562	7,492,205		438,931	43,912,836	3,526,638	40,386,198		2,570,062	41,342,774

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2001/12/31
----------------------------------------------------------------	--------------------------------------------------------------	----------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*
 Is the corporation electing under regulation 1101(5g)? 1 Yes ☐ 2 No ☒

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
reg	36859,562	7,492,205		438,931	43912,836	3,526,638	40386,198
10.1							
13							
14							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
reg			2,570,062	41342,774			
10.1							
13							
14							
Total			2,570,062				

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture	_____	Enter in <u>650</u> on the CT23
Terminal loss	_____	Enter in <u>650</u> on the CT23
CCA Claimed	<u>2,570,062</u>	Enter in <u>650</u> on the CT23

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

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.
 If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 3. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Cumulative Eligible Capital Deduction
Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2001/12/31
----------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

- ☐ For use by a corporation that has eligible capital property.
☐ A separate cumulative eligible capital account must be kept for each business.

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

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 7 **A**

Add:

Cost of eligible capital property acquired during the taxation year + **B**

Amount transferred on amalgamation or wind-up of subsidiary + **C**

Other adjustments + **D**

Total of B + C + D = x 3/4 = **E**

Subtotal A + E = 7 **F**

Deduct:

Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + **G**

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada) + **H**

Other adjustments + **I**

Total of G + H + I = x 3/4 = **J**

Ontario Cumulative eligible capital balance F - J = 7 **K**

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

Current year deduction 7 **K** x 7% * = **L**

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter the amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = 7

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

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

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

Amount from line K above show as a positive amount. **N**

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 **1**

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA **2**

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 **3**

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 **4**

Line 3 deduct line 4 **5**

Total lines 1 + 2 + 5 **6**

Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000 **7**

Deduct line 7 from line 6 **O**

N - O (cannot be negative) **P**

Amount on line 5 X 1/2 **Q**

P - Q **R**

Amount on line R X 2/3 **S**

Lesser of line N or line O **T**

Amount to be included in income S + T

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



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Continuity of Reserves
Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
IADIAN NIAGARA POWER INC.	5998695	2001/12/31

- For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	<NIL> A	<NIL> B	<NIL> C

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	232,387		185,505
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	232,387 D	<NIL> E	185,505 F

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.
The amount from **F** should be entered in **654** of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box **653** of the CT23Enter in box **666** of the CT23



Ontario

Ministry of Finance
Corporations Tax Branch
P.O. Box 620
33 King Street West
Oshawa, Ontario
L1H 8E9

Payment Advice

Enter the amount of payment and indicate taxation year

Account Number	Date of Incorporation
5998695	year month day 1999/02/17
Name CANADIAN NIAGARA POWER INC.	

Taxation year end	Payment Amount
year month day 2001/12/31	\$ 40,518
	\$
Total Payment	\$ 40,518

Submit this Payment Advice with your cheque (drawn on a Canadian financial institution) or money order, in Canadian funds, payable to: the Minister of Finance.

Send to: Ontario Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa On L1H 8E9

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	31/12/2001

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.			
2.			
3.		to (362)	

Corporation's share of gross revenue:

Corporation's own gross revenue 21,405,875

ADD:

1.		0
2.		0
3.		0

Total gross revenue of corporation & partnerships to (480) 21,405,875

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.			
2.			
3.		to (400)	

Bonds & securities - Gov't/Municipality/School District:

1.			
2.			
3.		to (401)	

Bonds & debentures of other corporations:

1.			
2.			
3.		to (402)	

Mortgages due from other corporations:

1.			
2.			
3.		to (403)	

Shares in other corporations:

1.			
2.			
3.		to (404)	

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.			
2.			
3.		to (405)	

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.			
2.			
3.		to (406)	

Shares of partnership(s) or joint venture(s) eligible investments:

1.			
2.			
3.		to (407)	

LOANS AND ADVANCES:

From corporations or government			
From shareholders or related persons	24,820,811		
From Amounts > 120 days	27,724		
From Customer Deposits	185,505	to (353)	25,034,040

2002 CNPI CT23 PROVINCIAL TAX RETURN (JANUARY – JULY)



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

2001/2002

CT23 Corporations Tax and Annual Return Update

For taxation years
commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purpose, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on Pages 3 - 18, together with the applicable schedules on pages 19-22. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common Page 1 and the MCBS Schedules A or K on pages 23 and 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Refer to Guide) ☒ Yes ☐ No

Page 1 of 24

Corporation's Legal Name (including punctuation) and Mailing Address

CANADIAN NIAGARA POWER INC.
1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Has address changed since
last filed CT23 return?

Yes ☐

Date of
Change

Registered/Head Office Address

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Location of Books and Records

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Person to contact regarding this CT23 Return

HARRY CLUTTERBUCK

Telephone No.

(905) 871-0330

Fax No.

(905) 871-8676

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

(MCBS)

Former Corporation Name (Extra-Provincial Corporations only)

Not Applicable ☒

(MCBS)

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

No. of Schedules

2

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

► ☐ No
Change

Ministry Use

Ontario Corporations Tax Account No. (MOF)

5998695

This CT23 return covers the Taxation Year

Start

year month day

2002/01/01

End

year month day

2002/07/10

Date of Incorporation or Amalgamation

year month day

1999/02/17

Ontario Corporation No. (MCBS)

1341103

Canada Customs and Revenue Agency
(formerly Revenue Canada) Business No.

If applicable, enter

872498225 RC 0001

Jurisdiction

Incorporated:

ONTARIO

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

Commenced:

year month day

Ceased:

year month day

(Not Applicable) ► ☒

Language of Choice / Langue de preference:

English
anglais

☒

French
français

☐

Ministry
Use



Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.
Signature of Authorized Person (Print clearly or type in full)

TIMOTHY B CURTIS

Title: ☐ Director ☒ Officer ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	10/07/2002

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1.					
2.					
3.				to (362)	

Corporation's share of gross revenue:

Corporation's own gross revenue			14,727,101
---------------------------------------	--	--	------------

ADD:

1.		0			
2.		0			
3.		0			

Total gross revenue of corporation & partnerships		14,727,101	to (480)	
---------------------------------------------------------	--	------------	----------	--

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1.					
2.					
3.				to (400)	

Bonds & securities - Gov't/Municipality/School District:

1.					
2.					
3.				to (401)	

Bonds & debentures of other corporations:

1.					
2.					
3.				to (402)	

Mortgages due from other corporations:

1.					
2.					
3.				to (403)	

Shares in other corporations:

1.					
2.					
3.				to (404)	

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1.					
2.					
3.				to (405)	

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1.					
2.					
3.				to (406)	

Shares of partnership(s) or joint venture(s) eligible investments:

1.					
2.					
3.				to (407)	

LOANS AND ADVANCES:

From corporations or government					
From shareholders or related persons					
From SEE ATTACHED SCHEDULE		27,493,911			
From			to (353)	27,493,911	

CT23 Corporations Tax Return
Continuation (for CT23 filers only)

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

<input type="checkbox"/> 1	<input type="checkbox"/> Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))	
<input checked="" type="checkbox"/> 2	<input checked="" type="checkbox"/> Other Private	Share Capital with full voting rights owned by Canadian Residents <input type="text" value="100"/> • %
<input type="checkbox"/> 3	<input type="checkbox"/> Public	
<input type="checkbox"/> 4	<input type="checkbox"/> Non-share Capital	
<input type="checkbox"/> 5	<input type="checkbox"/> Other (specify) ▶	

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

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

If applicable, enter

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

If applicable, enter

Specify major business activity:

ELECTRICAL ENERGY

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

<input type="checkbox"/> First Year of Filing	<input type="checkbox"/> Final Taxation Year up to Dissolution (wind-up)	<input type="checkbox"/> Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
<input type="checkbox"/> Amended Return	<input type="checkbox"/> Final Taxation Year before Amalgamation	<input checked="" type="checkbox"/> Acquisition of Control fed s.249(4)
<input checked="" type="checkbox"/> Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required	<input type="checkbox"/> Floating Fiscal Year End	Date Control was acquired year 2002 month 07 day 10

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

Income Tax

CT23 Page 4 of 24

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39(Int. B. 2617)). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16) - - - - - ± From 690 269,944

Subtract: Charitable donations - - - - - 1 500

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule) - - - - - 2

Subtract: Taxable dividends deductible, per federal T2 SCH 3 - - - - - 3

Subtract: Ontario political contributions (Attach schedule) - - - - - 4

Subtract: Federal Part VI.1 tax - - - - - X 94 5

Subtract: Prior years' losses applied -

Non-capital losses - - - - - From 704 269,444

Net capital losses - - - - - From 715 (page 17) X inclusion rate % = 714

Farm losses - - - - - From 724

Restricted farm losses - - - - - From 734

Limited partnership losses - - - - - From 754

Taxable income (Non-capital loss) - - - - - = 10

Addition to taxable income for unused foreign tax deduction for federal purposes - - - - - + 11

Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) - - - - - = 20

Taxable Income

From (or 20 if applicable)	Ontario Allocation			Number of Days in Taxation Year		
10		. X 30	100.0000	% X 14.5% X	24	191
					25	
10		. X 30	100.0000	% X 14.0% X	26	191
					27	
10		. X 30	100.0000	% X 12.5% X	28	191
					29	
10		. X 30	100.0000	% X 11.0% X	31	191
					32	

Income Tax Payable (before deduction of tax credits) 25 + 27 + 29 + 32 - - - - - = 40

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

*** (If this section is not completed, IDSBC will be denied.)***

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

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) - - - - - 50

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

Add: Losses of other years deducted for federal purposes (fed.s.111) - - - - - + 52 269,444

Subtract: Losses of other years deducted for Ontario purposes (s.34) - - - - - - 53 269,444

Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$200,000) (Attach federal T2 SCH 23 if associated) - - - - - + 55

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year			
Days from 26 above	Total days	X From 55	÷ 200,000 - - - - - = + 42
40,000 X	191 ÷ 73 191		
Days from 28 above	Total days	X From 55	÷ 200,000 - - - - - = + 43
80,000 X	191 ÷ 73 191		
Days from 31 above	Total days	X From 55	÷ 200,000 - - - - - = + 46
120,000 X	191 ÷ 73 191		

Ontario enhancement of federal business limit 42 + 43 + 46 - - - - - = 44

Business Limit for Ontario purposes - - - - - 55 + 44 = 45

Income eligible for the IDSBC - - - - - From 30 100.0000 % X 56 = 60

* Ontario Allocation Least of 50, 54 or 45

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

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF) 5998695
Taxation Year End 2002/07/10

CT23 Page 5 of 24

DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

Number of Days in Taxation Year

	Days after Dec 31, 1999 and before Oct 1, 2001	Total days		
7.5% X	76	191	= +	77
	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
6.5% X	28 191	191	= +	79 6.5000
	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
5.5% X	31	191	= +	89

IDSBC Rate for Taxation Year 77 + 79 + 89 = 78 6.5000

Claim From 60 X From 78 6.5000 % = 70

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

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

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

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

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

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

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

Name of associated corporation (Canadian & foreign)	Ontario Corporations Tax Account No.(MOF)	Taxation Year End	**Taxable Income
			+ 82
			+ 83
			+ 84
Aggregate of Taxable Income 80 + 82 + 83 + 84, etc			= 85

Number of Days in Taxation Year

Subtract:	200,000 X	Days before Jan 1, 2001	Total days		
		558	191	= +	111
	240,000 X	Days after Dec 31, 2000 and before Oct 1, 2001	Total days		
		26	191	= +	112
	280,000 X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
		28 191	191	= +	113 280,000
	320,000 X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
		31	191	= +	115
		111 + 112 + 113 + 115		=	280,000
(If negative, enter nil)					- 114 280,000
					= 86

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

5.0% X	Days after Dec 31, 1999 and before Oct 1, 2001	Total days		
	76	191	= +	93
4.333% X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
	28 191	191	= +	95 4.3330
3.667% X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
	31	191	= +	96

ified rate of surtax for Taxation Year 93 + 95 + 96 = 94 4.3330

From 86 X From 94 4.3330 % = 87

From 87 X From 60 ÷ From 114 280,000 = 88

Surtax Lesser of 70 or 88 = 100

continued on Page 6

Income Tax *continued from Page 5*

DOLLARS ONLY

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule) - - - - - 110

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

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

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

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

Eligible Canadian Profits - - - - - 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121

*Ontario Allocation

Lesser of 56 or 121 - - - - - 122

120 - 56 + 122 - - - - - 130

Taxable Income - - - - - 10

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations - - - - - From 122

Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - - - - - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141

10 - 56 + 122 - 140 - 141 - - - - - 142

Number of Days in Taxation Year

Claim	Lesser of 130 or 142	X	From 30	Days before Oct 1, 2001 152 ÷ 73	Total days 191	= + 153
Claim 143	Lesser of 130 or 142	X	From 30	100.0000 % X 2.0% X		
				*Ontario Allocation		
Claim 143	Lesser of 130 or 142	X	From 30	100.0000 % X 1.5% X		
				*Ontario Allocation		
Claim 143	Lesser of 130 or 142	X	From 30	100.0000 % X 1.0% X		
				*Ontario Allocation		
M&P claim for taxation year 153 + 154 + 155						= 160

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations - - - - - 161

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

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for sale for uses other than the generation of electricity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Inf.B.15-79 & 2739)(Attach schedule). 170

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175 Credit Claimed 180

Sub-total of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 - - - - - = 190

continued on page 7

DOLLARS ONLY

Income Tax continued from Page 6

Specified Tax Credits (Refer to Guide)

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

Eligible Credit From **5620** OITC Claim Form (Attach original Claim Form) - - - - - + **191** _____

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

Eligible Credit From **5798** Summary Schedule F - - - - - + **192** 1,000

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

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From **5899** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + **193** _____

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

No. of Graduates From **6596**

Applies to employment of eligible unemployed graduate students.

Eligible Credit From **6598** Summary Schedule G - - - - - + **195** _____

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

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

Eligible Credit From **6900** OBPTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + **196** _____

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

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

Eligible Credit From **6700** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + **197** _____

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

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

Eligible Credit From **7100** OBRITC Claim Form (Attach original Claim Form) - - - - - + **198** _____

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

Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.

Eligible Credit From **7300** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + **199** _____

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

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

Eligible Credit From **7400** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + **200** _____

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

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

Eligible Credit From **7500** OSRTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + **201** _____

Total Specified Tax Credits **191** + **192** + **193** + **195** + **196** + **197** + **198** + **199** + **200** + **201** = **220** 1,000

Specified Tax Credits Applied to reduce Income Tax - - - - - = **225** _____

Income Tax **190** - **225** OR Enter NIL if reporting Non-Capital loss - - - - - = **230** _____

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on **Page 18**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Determination of Applicability

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

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

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

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

* Total Assets of the corporation - - - - - + [240] 52,907,744

* Total Revenue of the corporation - - - - - + [241] 14,727,101

If you are a member of an associated group (x) [242] ☐ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
			+ [243]	+ [244]
			+ [245]	+ [246]
			+ [247]	+ [248]
Aggregate Total Assets	[240] + [243] + [245] + [247], etc		= [249] 52,907,744	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc			= [250] 14,727,101

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 19, 20 and 21 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 19.)

Gross CMT Payable - - - CMT Base From [2135] 520,222 X From [30] 100.0000 % X 4% = [276] 20,809

if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - - [277]

Subtract: Income Tax - - - - - From [190]

Net CMT Payable (if negative, enter Nil on Page 18.) - - - - - = [280] 20,809

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from Page 7 to **Income Tax Summary, on Page 18.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to Page 18 and transfer [280] to Page 18, and to **Schedule D: Continuity of CMT**

Credit Carryovers, on Page 21.

CMT Credit Carryover available - - - - - From [2307] 91,412

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From [190]

Gross CMT Payable - - - - - + From [276] 20,809

Subtract: Foreign Tax Credit for CMT purposes - - - - - From [277]

If [276] - [277] is negative, enter NIL in [290] = 20,809

Income Tax eligible for CMT Credit - - - - - = [300] -20,809

B. Income Tax (after deduction of specified credits) - - - - - + From [230]

Subtract: CMT credit used to reduce income taxes - - - - - [310]

Income Tax - - - - - = [320]

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

If only B applies, [310] cannot exceed the lesser of [230] and your CMT credit carryover available [2307].

Transfer to page 10

Capital Tax (Refer to Guide)

DOLLARS ONLY

our corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in [550] on page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets

must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

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

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

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

Paid-Up Capital

Paid-up capital stock	- - - - -	+	[350]	21,400,000
Retained earnings (if deficit, deduct)	- - - - -	±	[351]	1,109,363
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	- - - - -	+	[352]	
Loans and advances (Attach schedule)	- - - - -	+	[353]	27,493,911
Bank loans	- - - - -	+	[354]	
Bankers acceptances	- - - - -	+	[355]	
Bonds and debentures payable	- - - - -	+	[356]	
Mortgages payable	- - - - -	+	[357]	
Other notes payable	- - - - -	+	[358]	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	- - - - -	+	[359]	370,328
Contingent, investment, inventory and similar reserves	- - - - -	+	[360]	2,041,901
Other reserves not allowed as deductions for income tax purposes (Attach schedule)	- - - - -	+	[361]	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))	- - - - -	+	[362]	
Subtotal	- - - - -	=	[370]	52,415,503
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)	- - - - -	-	[371]	5,055,289
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	- - - - -	-	[372]	
Total Paid-up Capital	- - - - -	=	[380]	47,360,214
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	- - - - -	-	[381]	
Net Paid-up Capital	- - - - -	=	[390]	47,360,214

Eligible Investments (Refer to Guide)

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

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 (Refer to Guide)

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

Mortgages due from other corporations

Shares in other corporations (certain restrictions apply) (Refer to Guide)

Loans and advances to unrelated corporations

Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)

Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)

Total Eligible Investments
continued on Page 10

= [410]

DOLLARS ONLY

Total Assets

Total Assets per balance sheet	- - - - -	+	420	52,907,744
Mortgages or other liabilities deducted from assets	- - - - -	+	421	
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	- - - - -	+	422	
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423	
Total Assets as adjusted	- - - - -	=	430	52,907,744
Amounts in 360 and 381 (if deducted from assets)	- - - - -	+	443	
Subtract: Amounts in 371, 372 and 381	- - - - -	-	441	5,055,289
Subtract: Appraisal surplus if booked	- - - - -	-	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	±	443	
Total Assets	- - - - -	=	450	47,852,455

Investment Allowance ($\frac{410}{450} \times 390$) - - - - - Not to exceed 410 = 460

Taxable Capital 390 - 460 - - - - - = 470 47,360,214

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - - - 480 14,727,101

Total Assets (as adjusted) - - - - - From 430 52,907,744

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important:

- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B on pages 10 to 11 and select and complete the one specific subsection (e.g. B4) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

Section A

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

Enter NIL in 550 on page 13 and complete the return from that point.

Section B

This section applies if the corporation is NOT a member of an associated group and /or partnership

- B1.** If the taxation year end is before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B2.** If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B3.** If the taxation year commences after September 30, 2001 and 430 and 480 are both \$3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B4.** If taxable capital, 470 is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

Capital Tax Calculation *continued from Page 10*

If taxable capital, 470 on page 10, exceeds \$2,000,000 but is \$5,000,000 or less, complete the following calculations and transfer the total From 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

+ (a) From 470 47,360,214 X 0.3% =+ 490

Deduct:

From 470
\$2,800,000 - 47,360,214 X 0.75% =- 493
If 2,800,000 - 470 is negative, enter NIL in 493
Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

(506 = 490 - 493) = 506 X From 30 100.0000 % X =+ 507
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

+ (b) From 470 47,360,214 X 0.3% =+ 490

Deduct:

From 470
\$3,200,000 - 47,360,214 X 0.5% =- 495
If 3,200,000 - 470 is negative, enter NIL in 495
Days in taxation year after Dec. 31, 2000 and before Oct. 1, 2001 558

(509 = 490 - 495) = 509 X From 30 100.0000 % X =+ 522
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (c) Capital Tax for that portion of a taxation year after September 30, 2001 for a corporation whose taxable capital is \$5,000,000 or less and that is not associated, is NIL - - - - - + NIL

= Total Capital Tax for the taxation year 507 + 522 - - - - - =+ 508
Transfer to 543 on page 13 and complete the return from that point

B6. If taxable capital, 470 on page 10, exceeds \$5,000,000, complete the following calculation and transfer the amount From 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

+ (a) From 470 47,360,214 X From 30 100.0000 % X 0.3% X 559 =+ 502
Days in taxation year before October 1, 2001 559
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (b)+ From 470 47,360,214
5,000,000
= 471 X From 30 100.0000 % X 0.3% X 560 =+ 523
Days in taxation year after September 30, 2001 560
Ontario Allocation **365 (366 if leap year)

= Total Capital tax for the taxation year 502 + 523 - - - - - = 508
Transfer to 543 on page 13 and complete the return from that point

** If floating taxation year, refer to Guide.

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

510 ☒ (Yes)

Taxable Capital - - - - - + From 470 47,360,214

Calculation 1 Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+ 531
			+ 532
			+ 533
+ Aggregate Taxable Capital 470 + 531 + 532 + 533, etc - - - - -			= 540 47,360,214

If 540 above is \$5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL. Enter NIL in 523 in E1(c) or E2(b) on page 13.
If 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 47,360,214 ÷ From 540 47,360,214 X 5,000,000 - - - - - = 541 5,000,000

Transfer to Section E2(b) on page 13

Calculation 2 Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners with no permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+ 511
			+ 512
			+ 513
+ 511 + 512 + 513, etc - - - - -			= 514
= Aggregate Taxable Capital 540 + 514 - - - - -			= 520 47,360,214

If 520 is greater than \$2,000,000

If 520 is greater than \$2,000,000 and less than \$3,200,000 and a portion of the taxation year is before October 1,2001, the corporation must compute the following ratio.

From 470 47,360,214 ÷ From 520 47,360,214 = 521

Transfer to Section E1(a) and/or (b) as applicable, on page 13

Note: 521 cannot exceed 1.00000

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, 520 on this page, is \$2,000,000 or less.

Enter NIL in 550 on page 13 and complete the return from that point.

Capital Tax Calculation *continued from Page 12*

ction E

s section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital,

520 on page 12, exceeds \$2,000,000.

E1. If total aggregate taxable capital **520** exceeds \$2,000,000 but is \$3,200,000 or less, complete the following calculations and transfer the total From **508** to **543** and complete the return from that point.

▼ Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

+ (a) From **470** 47,360,214 X 0.3% - - - - - = + **490**

Deduct:

From **520** \$2,800,000 - 47,360,214 X 0.75% X From **521** - = **493**

If 2,800,000 - **520** is negative, enter NIL in **493**

553 Days in tax year after Dec 31, 1999 and before Jan 1, 2001

(**506** = **490** - **493**) = **506** X From **30** 100.0000 % X = + **507**

Ontario Allocation **365 (366 if leap year)

▼ Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

+ (b) From **470** 47,360,214 X 0.3% - - - - - = + **490**

Deduct:

From **520** \$3,200,000 - 47,360,214 X 0.5% X From **521** - = **495**

If 3,200,000 - **520** is negative, enter NIL in **495**

557 Days in tax year after Dec 31, 2000 and before Oct 1, 2001

(**509** = **490** - **495**) = **509** X From **30** 100.0000 % X = + **522**

Ontario Allocation **365 (366 if leap year)

▼ Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (c) Capital tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital (**540** on page 12) is \$5,000,000 or less, is NIL. Enter NIL - - - - - = + **523** NIL

= Total Capital Tax for the taxation year **507** + **522** + **523** - - - - - = **508**

Transfer to **543** and complete the return from that point.

E2. If the aggregate taxable capital **520** on page 12, exceeds \$3,200,000 complete the following calculations and transfer the total From **508** to **543** on this page, and complete the return from that point.

▼ Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

+ (a) From **470** 47,360,214 X From **30** 100.0000 % X 0.3% X **555** - - - - - = + **502**

Days in taxation year before October 1, 2001

Ontario Allocation **365 (366 if leap year)

▼ Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (b) + From **470** 47,360,214

- From **541** Section C 5,000,000

Days in taxation year after September 30, 2001

= **471** 42,360,214 X From **30** 100.0000 % X 0.3% X **560** 191 = + **523** 66,500

Ontario Allocation **365 (366 if leap year)

= Total Capital Tax for the taxation year **502** + **523** - - - - - = **508** 66,500

Transfer to **543** and complete the return from that point.

**If floating taxation year, refer to Guide.

Capital tax before application of specified credits- - - - -	=	543	66,500
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide) - - - - -	-	546	1,000
Capital Tax 543 - 546 - - - - -	=	550	65,500

Transfer to Page 18

continued on Page 14

DOLLARS ONLY

Calculation of Capital Tax for Financial Institutions**I.1. Credit Unions Only**For taxation years commencing **after May 4, 1999** enter NIL in on page 13, and complete the return from that point.**I.2. Other than Credit Unions**(Retain details of calculations for amounts in boxes and . Do not submit with this tax return.)

$$\begin{array}{rcll}
 \text{[565]} & \times & 0.6\% & \times \text{ From } \text{[30]} \quad 100.0000 \quad \% \times \text{[555]} \frac{191}{365} \div = + \text{[569]} \\
 \text{Lesser of adjusted TPUC} & & & \text{Ontario Allocation} \\
 \text{and Basic Capital Amount} & & & \text{(365 if leap year)} \\
 \text{in accordance with} & & & \\
 \text{Division B.1} & & &
 \end{array}$$

$$\begin{array}{rcll}
 \text{[570]} & \times & \text{[571]} & \% \times \text{ From } \text{[30]} \quad 100.0000 \quad \% \times \text{[555]} \frac{191}{365} \div = + \text{[574]} \\
 \text{Adjusted TPUC} & & \text{Capital Tax Rate} & \text{Ontario Allocation} \\
 \text{in accordance with} & & \text{(Refer to Guide)} & \text{(365 if leap year)} \\
 \text{Division B.1 in excess} & & & \\
 \text{of Basic Capital Amount} & & &
 \end{array}$$

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

** If floating taxation year, refer to Guide.

II. Small Business Investment Tax Credit

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

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

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

Transfer to Page 13

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

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

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

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

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

Transfer to Page 18

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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - + 600 269,944
Transfer to Page 16

Add:

Federal capital cost allowance - - - - - + 601 1,269,424
Federal cumulative eligible capital deduction - - - - - + 602 1,631
Ontario taxable capital gain - - - - - + 603
Federal non-allowable reserves. Balance beginning of year - - - - - + 604 326,491
Federal allowable reserves. Balance end of year - - - - - + 605 176,606
Ontario non-allowable reserves. Balance end of year - - - - - + 606 89,753
Ontario allowable reserves. Balance beginning of year - - - - - + 607 185,505
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - - + 608
Federal resource allowance - - - - - + 609
Federal depletion allowance - - - - - + 610
Federal foreign exploration and development expenses - - - - - + 611
Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612 X $\frac{5}{14.5} \times$ Days after May 1, 2000 and before Jan. 1, 2001 Total Days 24 ÷ 73 191 - - - - - = + 631

612 X $\frac{5}{14.0} \times$ Days after Dec 31, 2000 and before Oct. 1, 2001 Total Days 26 ÷ 73 191 - - - - - = + 632

612 X $\frac{5}{12.5} \times$ Days after Sept. 30, 2001 and before Jan. 1, 2003 Total Days 28 191 ÷ 73 191 - - - - - = + 633

612 X $\frac{5}{11.0} \times$ Days after Dec. 31, 2002 and before Jan. 1, 2004 Total Days 31 ÷ 73 191 - - - - - = + 634

Total add-back amount for Management fees, etc. 631 + 632 + 633 + 634 = ▶ + 613

Federal allowable business investment loss - - - - - + 620

Items allowed federally but disallowed by Ontario:

- - - - - +
- - - - - +

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

Add: Federal Scientific Research Expenses claimed in year from fed form T661 - - - - - + 615

Sub Total of Additions 601 to 614 + 615 + 620 - - - - - = 640 2,049,410
Transfer to Page 16

continued on Page 16

DOLLARS ONLY

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

continued from Page 15

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From + 600 269,944
 Sub Total of Additions - - - - - From = 640 2,049,410

Deduct:

Ontario capital cost allowance - - - - -	+	650	1,269,424	•
Ontario cumulative eligible capital deduction - - - - -	+	651	1,631	•
Federal taxable capital gain - - - - -	+	652		•
Ontario non-allowable reserves. Balance beginning of year - - - - -	+	653		•
Ontario allowable reserves. Balance end of year - - - - -	+	654	176,606	•
Federal non-allowable reserves. Balance end of year - - - - -	+	655	416,244	•
Federal allowable reserves. Balance beginning of year - - - - -	+	656	185,505	•
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) - - -	+	657		•
Ontario depletion allowance - - - - -	+	658		•
Ontario resource allowance - - - - -	+	659		•
Ontario research and development super allowance (Attach schedule) - - - - -	+	660		•
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget +		674		•
Ontario current cost adjustment (Attach schedule) - - - - -	+	661		•

Ontario New Technology Tax Incentive (ONTTI) Gross-up*Applies* only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying

intellectual property deducted in the current taxation year - - - 662**ONTTI Gross-up deduction calculation:**

From 662	Gross-up of CCA	From 662	=	663
	X 100			
	From 30 100.0000			
	Ontario Allocation			

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665	X 30% X	100	=	666
	From 30 100.0000			
	Ontario Allocation			

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667	X 100% X	100	=	668
	From 30 100.0000			
	Ontario Allocation			

Number of Employees accommodated 669**Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) (Refer to guide)**

Qualifying expenditures: 670	X 30% X	100	=	671
	From 30 100.0000			
	Ontario Allocation			

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672	X 15% X	100	=	673
	From 30 100.0000			
	Ontario Allocation			

Ontario allowable business investment loss - - - - -	+	678		•
------------------------------------------------------	---	-------------------------------------------------------------------	--	---

Items disallowed federally but allowed by Ontario:

Total of other deductions allowed by Ontario (Attach schedule) - - - - -	+	664		•
--------------------------------------------------------------------------	---	-------------------------------------------------------------------	--	---

Deduct: Ontario Scientific Research Expenses claimed in year from Ont form CT161 - - -	+	679		•
----------------------------------------------------------------------------------------	---	-------------------------------------------------------------------	--	---

Sub Total of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664	=	2,049,410	680	2,049,410	•
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	-----------	-------------------------------------------------------------------	-----------	---

Net income (loss) for Ontario purposes 600 + 640 - 680	=	690	269,944	•
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	-------------------------------------------------------------------	---------	---

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 484,038	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 269,444	715 (4)	724	734 (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 18	716 (2) To Page 18	726 (2) To Page 18	736 (2) To Page 18	746	
Subtotal	707 269,444	717	727	737	747	757
Balance at End of Year	709 (8) 214,594	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Notes:

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

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

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993/07/10				850	870
801 1994/07/10				851	871
802 1995/07/10				852	872
803 1996/07/10	820	830	840	853	873
804 1997/07/10	821	831	841	854	874
805 1998/07/10	822	832	842	855	875
806 1999/07/10	823 85,388	833	843	856	876
807 2000/07/10	824 36,894	834	844	857	877
808 2001/07/10	825 92,312	835	845	858	878
809 2002/07/10	826	836	846	859	879
Total	829 214,594	839 <NIL>	849 <NIL>	869 <NIL>	889

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

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

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

● Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

● Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

● Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

● The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

● If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations' Tax Account No. (MOF)				
Taxation Year Ending YYYY MM DD				
i) 3rd preceding 901 1999/07/10	911	921	931	941
ii) 2nd preceding 902 2000/07/10	912	922	932	942
iii) 1st preceding 903 2001/07/10	913	923	933	943
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax - - - - + From 230 or 320

Corporate Minimum Tax - - - + From 280 20,809

Capital Tax - - - - - + From 550 65,500

Premium Tax - - - - - + From 590

Total Tax Payable - - - - - = 950 86,309

Subtract: Payments - - - - - - 960 86,309

Capital Gains Refund (s.48) - - - - - - 965

Qualifying Environmental Trust Tax Credit (Refer to Guide) - - - - - - 985

Specified Tax Credits (Refer to Guide) - - - - - - 955

Balance - - - - - - = 970 - 0

If payment due - - - - - Enclosed* 990

If overpayment: Refund (Refer to Guide) = 975 0

year month day

Apply to 2002/12/31 980

(includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **MINISTER OF FINANCE** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

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

Name (please print)

TIM CURTIS

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

1130 BERTIE STREET

FORT ERIE

ON

CA L2A5Y2

Signature

Date

31/12/2002

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

Please complete
Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

CT23 Schedule A

CANADIAN NIAGARA POWER INC.

5998695

2002/07/10

Page 19 of 24

Corporate Minimum Tax - Schedule A:

Calculation of CMT Base



DOLLARS ONLY

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + [2100] 301,576

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes - - - - - + [2101] _____
Provision for deferred income taxes (credits) - - - - - + [2102] 85,887
Equity income from corporations - - - - - + [2103] _____
Share of partnership(s)/joint venture(s) income - - - - - + [2104] _____
Dividends received/receivable deductible under fed.s.112 - - - - - + [2105] _____
Dividends received/receivable deductible under fed.s.113 - - - - - + [2106] _____
Dividends received/receivable deductible fed.s.83(2) - - - - - + [2107] _____
Federal Part VI.1 tax paid on dividends declared and paid
after May 5, 1997, under fed.s.191.1(1) _____ X 9/4 - + [2108] _____

Subtotal - - - - - = 85,887 ▶ [2109] 85,887

Add (to extent reflected in net income/loss):

Provision for current taxes - - - - - + [2110] 304,533
Provision for deferred income taxes (debits) - - - - - + [2111] _____
Equity losses from corporations - - - - - + [2112] _____
Share of partnership(s)/joint venture(s) losses - - - - - + [2113] _____
Dividends that have been deducted to arrive at net income per Financial Statements.
Applies to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1)
(excluding dividends under fed.s.137(4.1)) - - - - - + [2114] _____

Subtotal - - - - - = 304,533 ▶ + [2115] 304,533

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + [2116] _____ or - [2117] _____
** Fed. s.85.1 - - - - - + [2118] _____ or - [2119] _____
** Fed. s.97 - - - - - + [2120] _____ or - [2121] _____
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + [2122] _____ or - [2123] _____
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + [2124] _____ or - [2125] _____
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years - - - - - + [2126] _____ or - [2127] _____
Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - [2150] _____

Subtotal (Additions) - - - - - = _____ + [2128] _____

Subtotal (Subtractions) - - - - - = _____ ▶ [2129] _____

** Other adjustments - - - - - + [2130] _____

Subtotal + [2100] - [2109] + [2115] + [2128] - [2129] + [2130] = [2131] 520,222

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - + [2132] _____

Adjusted net income (loss)

(if loss, transfer to [2202] in **Schedule B: Continuity of CMT Losses Carried Forward, Page 20**) = [2133] 520,222

Deduct * CMT losses: pre-1994 Loss - - - - - + From [2210] _____

* CMT losses: other eligible losses - - - - - + From [2211] _____

= _____ ▶ [2134] _____

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = [2135] 520,222

Transfer to CMT Base, Page 8

Please complete

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

CANADIAN NIAGARA POWER INC.

5998695

2002/07/10

CT23
Schedule D & E
Page 21 of 24

Corporate Minimum Tax (CMT)



Schedule D: Continuity of CMT Credit Carryovers

DOLLARS ONLY

Balance at Beginning of year (1) - - - - - + 2301 70,603

Add: Current year's CMT credit (280 on page 8, If negative, enter NIL) + From 280 20,809

CMT Credit Carryovers from predecessor corporations (2) - - - + 2302

Amalgamation (X) 2303 Yes Wind-up (X) 2304 Yes

Subtotal - - - - - = 20,809 + 2305 20,809

Adjustments (Attach schedule) - - - - - + 2306

CMT credit carryover available 2301 + 2305 + 2306 - - - - - 2307 91,412

Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310

CMT Credit expired during the year - - - - - + 2308

Subtotal - - - - - = - 2309

Balance at End of Year (3) 2307 - 2309 - - - - - 2310 91,412

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390

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

	Year of Origin (oldest year first) YYYY MM DD	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340		2360	2380
2341	1994/07/10	2361	2381
2342	1995/07/10	2362	2382
2343	1996/07/10	2363	2383
2344	1997/07/10	2364	2384
2345	1998/07/10	2365	2385
2346	1999/07/10	2366 22,532	2386
2347	2000/07/10	2367 13,547	2387
2348	2001/07/10	2368 34,524	2388
2349	2002/07/10	2369 20,809	2389
Totals		2370 91,412	2390

The sum of amounts 2370 + 2390 must equal
amount in 2310

CT 23 Schedules F & G
Page 22 of 24

considered 2 work placements. The first work placement is September 1, 2000 to December 31, 2000 and would be claimed in the 2000 taxation year. The second placement is January 1, 2001 to April 30, 2001 and must be claimed in the 2001 taxation year.



DOLLARS ONLY

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year \$ **Totals**

If is \$600,000 or greater use 10%. If is \$400,000 or less use 15%.

If is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [0.05(- \$400,000) / \$200,000]

Indicate rate used: % * **Credit claimed equals ECP multiplied by rate** From

preceding taxation year was \$700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 2000 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2001 taxation year. The credit claimed is the lesser of 10% of salary for the maximum of 12 months of employment ($10\% \times \$3,500 \times 12 = \$4,200$) or \$4,000.

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year \$ _____

If is \$600,000 or greater use 10%. If is \$400,000 or less use 15%.

is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [0.05(_____ - \$400,000)/\$200,000]

Indicate rate used: %.

*** Credit claimed equals QEE multiplied by rate.**

From _____

Transfer to Page 7 of
the Tax Return

Total Number of Graduates - - - - - = 6596

Transfer to 194 Page 7 of the Tax Return

Schedule A: Information on Ontario Corporations

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



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

Identification			
Corporation's Legal Name (including punctuation) CANADIAN NIAGARA POWER INC.		Ontario Corporation No. (MCBS) 1341103	Date of Incorporation or Amalgamation year/month/day 1999/02/17
Director/Officer Information			
Full Name and Address for Service:			
Last Name LEA		First Name JAMES	Middle Name(s) A
Street Number and Name 84 GREENFIELD AVENUE			
City/Town/Village CHARLOTTETOWN		Province/State PE	Country CA
Postal/Zip Code C1A-3N8			
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date Elected year/month/day 1999/04/06	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	
Date Ceased year/month/day 2002/07/10			
	President		<input type="checkbox"/> Chair
	Secretary		<input type="checkbox"/> Chair Person
	Treasurer		<input type="checkbox"/> Chairman
	General Manager		<input type="checkbox"/> Chairwoman
	Other (specify)		<input type="checkbox"/> Vice-Chair
			<input type="checkbox"/> Vice-President
			<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
			<input type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
			<input type="checkbox"/> Managing Director
			<input type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input type="checkbox"/> Authorized Signing Officer
			<input type="checkbox"/> Other (untitled)

Director/Officer Information

Full Name and Address for Service:			
Last Name GLEASON		First Name DENNIS	Middle Name(s) G.
Street Number and Name 91 TERRACE LANE			
City/Town/Village ELMA		Province/State NY	Country US
Postal/Zip Code 14059			
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Date Elected year/month/day 2001/05/29	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	
Date Ceased year/month/day 2002/07/10			
	President		<input type="checkbox"/> Chair
	Secretary		<input type="checkbox"/> Chair Person
	Treasurer		<input type="checkbox"/> Chairman
	General Manager		<input type="checkbox"/> Chairwoman
	Other (specify)		<input type="checkbox"/> Vice-Chair
			<input type="checkbox"/> Vice-President
			<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
			<input type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
			<input type="checkbox"/> Managing Director
			<input type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input type="checkbox"/> Authorized Signing Officer
			<input type="checkbox"/> Other (untitled)

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Charitable Donations and Gifts
Schedule 2 page 1 of 3

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NADIAN NIAGARA POWER INC.	5998695	2002/07/10

- For use by corporations to claim any of the following:
 - Charitable donations;
 - Gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations;
 - Gifts to Canada or a province;
 - Gifts of certified cultural property; or
 - Gifts of certified ecologically sensitive land.
- The donations and gifts are eligible for a five year carry-forward.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the *federal Income Tax Act*(ITA).
- File one completed copy of this schedule with your CT23.

Part 1 - Charitable Donations

Charitable donations at end of preceding taxation year	+	250	A
Deduct: Donations expired after 5 taxation years	-		B
Charitable donations at beginning of taxation year	=	250	C
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	+		D
Total current year charitable donations made	+	250	E
Subtotal D + E	=	250	F
Total donations available C + F	= +	500	G
Deduct: Amount applied against taxable income: (amount T)	-	500	T
Charitable donations closing balance	=		H

Part 2 - Maximum deduction calculation for donations

Ontario net income for tax purposes multiplied by 75% = 202,458 I

Note: For credit unions the Ontario net income for tax purposes is the amount before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Ontario taxable capital gains arising in respect of gifts of capital property	+		J
Ontario taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)ITA	+		K

Add the lesser of:

1. The amount of the recapture of capital cost allowance in respect of charitable gifts L

2. **The lesser of:**

2a. Proceeds of dispositions less outlays and expenses M

2b. The capital cost N

The lesser of amounts M and N O

The lesser of amounts L and O P

Subtotal J + K + P Q

25% X Q R

Maximum deduction allowable I + R S

Claim for charitable donations: (not exceeding the lesser of G from Part 1, S and net income for tax purposes) T

Enter the amount in box 1 of the CT23

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/07/10

Part 3 - Gifts to Her Majesty in right of Ontario

For use by a corporation claiming gifts to Her Majesty in right of Ontario, to Ontario crown agencies,
or to Ontario Crown foundations.

Gifts to Ontario Crown agency or Ontario Foundation at the end of the preceding taxation year	+	
Deduct: Gifts expired after 5 years	-	
Gifts to Ontario Crown agency or Ontario Foundation at the beginning of the taxation year	=	
Add: Gifts transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts	+	
Subtotal	=	
Deduct: Amount applied against taxable income <input type="text" value="2"/> of the CT23	-	
Gifts to Ontario Crown agency or Ontario Crown Foundation closing balance	=	

Foundation Name	Date of Donation	Amount \$
Total gifts to Her Majesty in right of Ontario		=

Part 4 - Maximum deduction calculation for gifts to Her Majesty in right of Ontario

Deduction is the lesser of:

1. Ontario Net Income before deductions of gifts after deducting charitable donations
and gifts to Her Majesty in right of Canada or a province other than Ontario **U**
2. Lesser of
 - 2a. Ontario Net Income for the taxation year **V**
 - 2b. Gifts made in the taxation year or any of the five preceding taxation years to Her
Majesty in right of Ontario, an Ontario Crown agency or an Ontario Crown foundation **W**
 - The Lesser of **V** and **W** **X**

Maximum deduction allowable the lesser of U and X **Y**
Transfer to of the CT23

Part 5 - Gifts to Canada or province other than Ontario

Gifts to Canada or a province other than Ontario at the end of the preceding taxation year	+	
Deduct: Gifts to Canada or a province other than Ontario expired after five taxation years	-	
Gifts to Canada or a province other than Ontario at the beginning of the taxation year	=	
Add: Gifts to Canada or a province other than Ontario transferred on amalgamation or wind-up of a subsidiary	+	
Total current year Gifts to Canada or a province other than Ontario (Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date)	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts to Canada or a province other than Ontario closing balance	=	

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/07/10

Part 6 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	+	
Deduct: Gifts of certified cultural property expired after five years	-	
Gifts of certified cultural property at the beginning of the taxation year	=	
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified cultural property	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified cultural property closing balance	=	

Part 7 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	+	
Deduct: Gifts of certified ecologically sensitive land expired after five years	-	
Gifts of certified ecologically sensitive land at the beginning of the taxation year	=	
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified ecologically sensitive land	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified ecologically sensitive land closing balance	=	

Part 8 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Her Majesty in right of Ontario	Gifts to Canada or a province other than Ontario	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1998/07/10					
1999/07/10					
2000/07/10					
2001/07/10					
2002/07/10					
Totals					

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/07/10

Part 9 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997				<NIL>	
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001	250		250		<NIL>
10/07/2002		250	250		<NIL>
Total	250	250	500		<NIL>

Part 10 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>

Part 11 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>

Part 12 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
10/07/1997					
10/07/1998					<NIL>
10/07/1999					<NIL>
10/07/2000					<NIL>
10/07/2001					<NIL>
10/07/2002					<NIL>
Total					<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

(1998 and later taxation years)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 5998695	Taxation Year End 2002/07/10
-----------------------------------------------------------	-----------------------------------	----------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		36,135,961	303,203			36,439,164	151,602	36,287,562	4.0	759,571	35,679,593
2		3,214,565				3,214,565		3,214,565	6.0	100,931	3,113,634
8		679,001	178,383			857,384	89,192	768,192	20.0	80,399	776,985
10		1,437,372	54,051		8,556	1,482,867	22,748	1,460,119	30.0	229,224	1,253,643
12		177,488	24,535			202,023	12,267	189,756	100.	99,299	102,724
Total		41,644,387	560,172		8,556	42,196,003	275,809	41,920,194		1,269,424	40,926,579

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2002/07/10
----------------------------------------------------------------	--------------------------------------------------------------	----------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐

2 No ☒

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
reg	41644,387	560,172		8,556	42196,003	275,809	41920,194
10.1							
13							
14							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
reg			1,269,424	40926,579			
10.1							
13							
14							
Total			1,269,424				

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture _____ Enter in 650 on the CT23

Terminal loss _____ Enter in 650 on the CT23

CCA Claimed 1,269,424 Enter in 650 on the CT23

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

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

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

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



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Cumulative Eligible Capital Deduction
Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/07/10

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

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

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 44,514 **A**

Add:

Cost of eligible capital property acquired during the taxation year + **B**

Amount transferred on amalgamation or wind-up of subsidiary + **C**

Other adjustments + **D**

Total of B + C + D = x 3/4 = **E**

Subtotal A + E = 44,514 **F**

Deduct:

Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + **G**

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada) + **H**

Other adjustments + **I**

Total of G + H + I = x 3/4 = **J**

Ontario Cumulative eligible capital balance F - J = 44,514 **K**

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

Current year deduction 44,514 **K** x 7% * = 1,631 **L**

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter the amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = 42,883 **M**

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

Part 2 - Amount to be included in income arising from disposition*Only Complete this part only if the amount at line K is negative*

Amount from line K above show as a positive amount. **N**

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 **1**

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA **2**

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 **3**

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 **4**

Line 3 deduct line 4 **5**

Total lines 1 + 2 + 5 **6**

Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000 **7**

Deduct line 7 from line 6 **O**

N- O (cannot be negative) **P**

Amount on line 5 X 1/2 **Q**

P - Q **R**

Amount on line R X 2/3 **S**

Lesser of line N or line O **T**

Amount to be included in income S + T

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



Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/07/10

- For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	A <NIL>	B <NIL>	C <NIL>

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	185,505		176,606
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	D 185,505	E <NIL>	F 176,606

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.
The amount from **F** should be entered in **654** of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box **653** of the CT23

Enter in box **608** of the CT23



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9CORPORATIONS TAX RETURN CT-23
CERTIFICATION FORM DISKETTE FILINGReturn I.D. # 1599869500200212191039120820 (Ministry Use Only)

Please check (x) appropriate boxes if applicable

☐ First Year of Filing☐ Final Taxation Year up to
Dissolution☒ Change of Control
fed.s.249(4)☐ Amended return☐ Final Taxation Year before
Amalgamation

Date control was acquired:

2002/07/10

Start

End

☒ Taxation Year End has changed
Approval by Rev. Can. required☐ Floating Fiscal Year End☐ Exempt From Filing☒ Subject to CMT

Corporations Tax Account Number

5998695

Date of Incorporation

1999/02/17

Return for Taxation Year

2002/01/012002/07/10

CCRA Business Number

872498225

Jurisdiction Incorporated

ONTARIOChange of Information? (x) Yes ☐ No ☒Corporation's Legal Name: CANADIAN NIAGARA POWER INC.Mailing Address: 1130 BERTIE STREETFORT ERIEON L2A5Y2

Transmitter Details

Transmitter number 5998695
Transmitter name CANADIAN NIAGARA POWER INC
Name of person to contact .. TIM CURTIS
Telephone Number 9058710330
Facsimile number 9058718818
Transmitter Address 1130 BERTIE STREET FORT ERIE ON L2A5
Disk Reference Number[210] Aggregate of Total Revenue: 14,727,101[209] Aggregate of Total Assets: 52,907,744

[10] Taxable Income (Non-capital Loss):

[950] Total Tax Payable: 86,309[960] Payments 86,309

[990] Enclosed:

Apply to Year: 2002/12/31

Apply amount:

[975] Refund: 0 Yes ☒ No ☐

If Yes, Due To:

Loss Carryback Yes ☐ No ☒Overpayment Yes ☒ No ☐Refundable Tax Credit Yes ☐ No ☒

Certification

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

Name TIM CURTISTitle CHIEF FINANCIAL OFFI

Full Residence:

Address 1 1130 BERTIE STREETAddress 2 FORT ERIEAddress 3 ONPostal Code L2A5Y231/12/2002 (905) 871-0330

Signature

Date

Phone #

Cantax T2Plus version 02.2.307.116

Approval Code: 0086

PAYMENT ADVICE

Corporations Tax Account Number 5998695Date of Incorporation 1999/02/17Name CANADIAN NIAGARA POWER INC.

Enter the amount of payment and indicate taxation year

Taxation Year End

Payment Amount

2002/07/10

\$

Total Payment

\$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send To: Ontario Ministry of Finance

Corporations Tax Branch

P.O. Box 642

33 King Street West

Oshawa, ON, L1H 8T1

Incomplete information will result in a delay processing an assessment.

**2002 CNPI CT23 PROVINCIAL
TAX RETURN
(JULY – DECEMBER)**

Ontario

Ministry of Finance

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

2001/2002

CT23 Corporations Tax and
Annual Return UpdateFor taxation years
commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)

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

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purpose, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on Pages 3 - 18, together with the applicable schedules on pages 19-22. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common Page 1 and the MCBS Schedules A or K on pages 23 and 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Refer to Guide) ☒ Yes ☐ No

Page 1 of 24

Ministry Use

Corporation's Legal Name (including punctuation) and Mailing Address

CANADIAN NIAGARA POWER INC.
1130 BERTIE STREETFORT ERIE ON
L2A5Y2

Ontario Corporations Tax Account No. (MOF)

5998695

This CT23 return covers the Taxation Year

Start year month day
2002/07/11End year month day
2002/12/31Has address changed since
last filed CT23 return?Yes ☐Date of
Change

Registered/Head Office Address

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2

Date of Incorporation or Amalgamation

year month day
1999/02/17

Ontario Corporation No. (MCBS)

1341103

Location of Books and Records

1130 BERTIE STREET

FORT ERIE ON
L2A5Y2Canada Customs and Revenue Agency
(formerly Revenue Canada) Business No.

If applicable, enter

872498225 RC 0001

Person to contact regarding this CT23 Return

HARRY CLUTTERBUCK

Telephone No.

(905) 871-0330

Fax No.

(905) 871-8676

Jurisdiction

Incorporated:

ONTARIO

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

(MCBS)

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

Commenced: year month day

Ceased: year month day

Former Corporation Name (Extra-Provincial Corporations only)

Not Applicable ☒

(MCBS)

(Not Applicable) ☒Information on Directors/Officers/Administrators must be completed on MCBS
Schedule A or K as appropriate. If additional space is required for Schedule A,
only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedules

4

Language of Choice / Langue de preference:

English
anglais ☒French
français ☐If there is **no change** to the Directors'/Officers'/Administrators' information
previously submitted to MCBS, please check this box. Schedule(s) A and K
are not required (MCBS).☐ No
ChangeMinistry
Use

Certification (MCBS)

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

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

TIMOTHY B CURTIS

Title:

D

O

P

☐

Director

☒

Officer

☐

Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

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

<input type="checkbox"/> 1	<input type="checkbox"/> 1 Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))	
<input type="checkbox"/> 2	<input type="checkbox"/> Other Private	Share Capital with full voting rights owned by Canadian Residents
<input type="checkbox"/> 3	<input type="checkbox"/> Public	(nearest percent) <input type="text" value="100"/> %
<input type="checkbox"/> 4	<input type="checkbox"/> Non-share Capital	
<input checked="" type="checkbox"/> 5	<input checked="" type="checkbox"/> Other Controlled by public	

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

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

if applicable, enter

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

if applicable, enter

Specify major business activity:

ELECTRICAL ENERGY

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

<input type="checkbox"/> First Year of Filing	<input type="checkbox"/> Final Taxation Year up to Dissolution (wind-up)	<input type="checkbox"/> Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
<input type="checkbox"/> Amended Return	<input type="checkbox"/> Final Taxation Year before Amalgamation	<input type="checkbox"/> Acquisition of Control fed s.249(4)
<input checked="" type="checkbox"/> Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required	<input type="checkbox"/> Floating Fiscal Year End	Date Control was acquired year month day

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

Income Tax

CT23 Page 4 of 24

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39)(Int. B. 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16) - - - - - \pm From 690 - 342,370

Less: Charitable donations - - - - - 1

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule) - - - - - 2

Subtract: Taxable dividends deductible, per federal T2 SCH 3 - - - - - 3

Subtract: Ontario political contributions (Attach schedule) - - - - - 4

Subtract: Federal Part VI.1 tax X 94 - - - - - 5

Subtract: Prior years' losses applied -

Non-capital losses - - - - - From 704

Net capital losses From 715 (page 17) X inclusion rate % = - 714

Farm losses - - - - - From 724

Restricted farm losses - - - - - From 734

Limited partnership losses - - - - - From 754

Taxable income (Non-capital loss) - - - - - = 10 - 342,370

Addition to taxable income for unused foreign tax deduction for federal purposes - - - - - + 11

Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) - - - - - = 20

Taxable Income

From <u>10</u> (or <u>20</u> if applicable)	Ontario Allocation	Number of Days in Taxation Year	
<u>X 30</u> 100.0000	% X 14.5% X	Days after May 1, 2000 and before Jan 1, 2001 <u>24</u> ÷ <u>73</u> 174	= + <u>25</u>
<u>X 30</u> 100.0000	% X 14.0% X	Days after Dec 31, 2000 and before Oct 1, 2001 <u>26</u> ÷ <u>73</u> 174	= + <u>27</u>
<u>X 30</u> 100.0000	% X 12.5% X	Days after Sept 30, 2001 and before Jan 1, 2003 <u>28</u> 174 ÷ <u>73</u> 174	= + <u>29</u>
<u>X 30</u> 100.0000	% X 11.0% X	Days after Dec 31, 2002 and before Jan 1, 2004 <u>31</u> ÷ <u>73</u> 174	= + <u>32</u>

Income Tax Payable (before deduction of tax credits) 25 + 27 + 29 + 32 - - - - - = 40

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

*** (If this section is not completed, IDSBC will be denied.) ***

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

(X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) - - - - - 50

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

Add: Losses of other years deducted for federal purposes (fed.s.111) - - - - - + 52

Subtract: Losses of other years deducted for Ontario purposes (s.34) - - - - - - 53

Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$200,000) (Attach federal T2 SCH 23 if associated) - - - - - + 55

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year		
Days from <u>26</u> above	Total days <u>174</u>	
40,000 X <u>73</u>	X From <u>55</u>	÷ 200,000 - - - - - = + <u>42</u>
Days from <u>28</u> above	Total days <u>174</u>	
80,000 X <u>73</u>	X From <u>55</u>	÷ 200,000 - - - - - = + <u>43</u>
Days from <u>31</u> above	Total days <u>174</u>	
120,000 X <u>73</u>	X From <u>55</u>	÷ 200,000 - - - - - = + <u>46</u>

Ontario enhancement of federal business limit 42 + 43 + 46 - - - - - = 44

Business Limit for Ontario purposes - - - - - 55 + 44 = 45

Income eligible for the IDSBC - - - - - From 30 100.0000 % X 56 = 60

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

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF) 5998695
Taxation Year End 2002/12/31

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DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

Number of Days in Taxation Year

Days after Dec 31, 1999 and before Oct 1, 2001	Total days			
76	73	174	= +	77
Days after Sept 30, 2001 and before Jan 1, 2003	Total days			
28 174	73	174	= +	79 6.5000
Days after Dec 31, 2002 and before Jan 1, 2004	Total days			
31	73	174	= +	89

IDSBC Rate for Taxation Year 77 + 79 + 89 = 78 6.5000

Claim From 60 X From 78 6.5000 % = 70

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

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

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

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

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

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

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

Name of associated corporation (Canadian & foreign)	Ontario Corporations Tax Account No.(MOF)	Taxation Year End	**Taxable Income
			+ 82
			+ 83
			+ 84
Aggregate of Taxable Income	80 + 82 + 83 + 84, etc		= 85

Number of Days in Taxation Year

Subtract:	200,000	X	Days before Jan 1, 2001	Total days				
			558	73	174	= +	111	
	240,000	X	Days after Dec 31, 2000 and before Oct 1, 2001	Total days				
			26	73	174	= +	112	
	280,000	X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days				
			28 174	73	174	= +	113	280,000
	320,000	X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days				
			31	73	174	= +	115	
			111 + 112 + 113 + 115			=	280,000	
(If negative, enter nil)							- 114	280,000
							= 86	

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	5.0%	X	Days after Dec 31, 1999 and before Oct 1, 2001	Total days				
			76	73	174	= +	93	
	4.333%	X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days				
			28 174	73	174	= +	95	4.3330
	3.667%	X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days				
			31	73	174	= +	96	

Specified rate of surtax for Taxation Year 93 + 95 + 96 = 94 4.3330

From 86 X From 94 4.3330 % = 87

From 87 X From 60 ÷ From 114 280,000 = 88

Surtax Lesser of 70 or 88 = 100

continued on Page 6

Income Tax continued from Page 5

DOLLARS ONLY

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

110

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

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

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

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

Eligible Canadian Profits + 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121

*Ontario Allocation

Lesser of 56 or 121 + 122

120 - 56 + 122 = 130

Taxable Income + From 10

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations + From 122

Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - 141

10 - 56 + 122 - 140 - 141 = 142

Number of Days in Taxation Year

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 2.0% X

*Ontario Allocation

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.5% X

*Ontario Allocation

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.0% X

*Ontario Allocation

M&P claim for taxation year 153 + 154 + 155 = 160

Days before Oct 1, 2001	Total days
152 ÷ 73	174
Days after Sept 30, 2001 and before Jan 1, 2003	Total days
28 174 ÷ 73	174
Days after Dec 31, 2002 and before Jan 1, 2004	Total days
31 ÷ 73	174

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

161

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

162

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for sale for uses other than the generation of electricity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Inf.B.15-79 & 2739)(Attach schedule).

170

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175

Credit Claimed 180

Sub-total of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190

continued on page 7

Income Tax

continued from Page 6

DOLLARS ONLY

Specified Tax Credits (Refer to Guide)

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

Eligible Credit From 5620 OITC Claim Form (Attach original Claim Form) - - - - - + 191

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

Eligible Credit From 5798 Summary Schedule F - - - - - + 192

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

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + 193**Graduate Transitions Tax Credit (GTTC)(s.43.6)**

No. of Graduates From 6596

Applies to employment of eligible unemployed graduate students.

Eligible Credit From 6598 Summary Schedule G - - - - - + 195

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

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

Eligible Credit From 6900 OBPTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + 196

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

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

Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + 197**Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)**

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

Eligible Credit From 7100 OBRITC Claim Form (Attach original Claim Form) - - - - - + 198

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

Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.

Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + 199**Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)**

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

Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) - - - - - + 200**Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)**

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

Eligible Credit From 7500 OSRTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) - - - - - + 201

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

Specified Tax Credits Applied to reduce Income Tax - - - - - = 225

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital loss - - - - - = 230

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on Page 8. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on Page 18.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on Page 8.

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Determination of Applicability

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

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

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

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

* Total Assets of the corporation - - - - - + [240] 60,213,286
* Total Revenue of the corporation - - - - - + [241] 31,569,469

If you are a member of an associated group (x) [242] ☐ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
			+ [243]	+ [244]
			+ [245]	+ [246]
			+ [247]	+ [248]
Aggregate Total Assets	[240] + [243] + [245] + [247], etc	- - - - -	= [249] 60,213,286	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc	- - - - -		= [250] 31,569,469

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 19, 20 and 21 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 19.)

As CMT Payable - - - CMT Base From [2135] 993,187 X From [30] 100.0000 % X 4% = [276] 39,727
if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - - [277]

Subtract: Income Tax - - - - - From [190]

Net CMT Payable (if negative, enter Nil on Page 18.) - - - - - = [280] 39,727

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from Page 7 to **Income Tax Summary, on Page 18.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to Page 18 and transfer [280] to Page 18, and to **Schedule D: Continuity of CMT**

Credit Carryovers, on Page 21.

CMT Credit Carryover available - - - - - From [2307] 131,139

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From [190]

Gross CMT Payable - - - - - + From [276] 39,727

Subtract: Foreign Tax Credit for CMT purposes - - - - - From [277]

If [276] - [277] is negative, enter NIL in [290] = 39,727 - [290] 39,727

Income Tax eligible for CMT Credit - - - - - = [300] -39,727

B. Income Tax (after deduction of specified credits) - - - - - + From [230]

Subtract: CMT credit used to reduce income taxes - - - - - [310]

Income Tax - - - - - = [320]

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

If only B applies, [310] cannot exceed the lesser of [230] and your CMT credit carryover available [2307].

Transfer to page 18

Capital Tax *(Refer to Guide)*

DOLLARS ONLY

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in [550] on page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets

must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

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

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

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

Paid-Up Capital

Paid-up capital stock	- - - - -	+	[350]	21,400,000
Retained earnings (if deficit, deduct)	- - - - -	+	[351]	1,685,926
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	- - - - -	+	[352]	
Loans and advances <i>(Attach schedule)</i>	- - - - -	+	[353]	25,957,878
Bank loans	- - - - -	+	[354]	
Bankers acceptances	- - - - -	+	[355]	
Bonds and debentures payable	- - - - -	+	[356]	
Mortgages payable	- - - - -	+	[357]	
Lien notes payable	- - - - -	+	[358]	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	- - - - -	+	[359]	891,648
Contingent, investment, inventory and similar reserves	- - - - -	+	[360]	1,938,248
Other reserves not allowed as deductions for income tax purposes <i>(Attach schedule)</i>	- - - - -	+	[361]	
Share of partnership(s) or joint venture(s) paid-up capital <i>(Attach schedule(s))</i>	- - - - -	+	[362]	
Subtotal	- - - - -	=	[370]	51,873,700
Subtract: Amounts deducted for income tax purposes in excess of amounts booked <i>(Retain calculations. Do not submit.)</i>		-	[371]	5,358,252
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes		-	[372]	
Total Paid-up Capital	- - - - -	=	[380]	46,515,448
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	- - - - -	-	[381]	
Net Paid-up Capital	- - - - -	=	[390]	46,515,448

Eligible Investments *(Refer to Guide)*

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

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 <i>(Refer to Guide)</i>	- - - - -	+	[400]	
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+	[402]	
Mortgages due from other corporations	- - - - -	+	[403]	
Shares in other corporations (certain restrictions apply) <i>(Refer to Guide)</i>	- - - - -	+	[404]	
Loans and advances to unrelated corporations	- - - - -	+	[405]	
Eligible loans and advances to related corporations (certain restrictions apply) <i>(Refer to Guide)</i>	- - - - -	+	[406]	
Share of partnership(s) or joint venture(s) eligible investments <i>(Attach schedule)</i>	- - - - -	+	[407]	
Total Eligible Investments	- - - - -	=	[410]	

continued on Page 10

DOLLARS ONLY

Total Assets

Total Assets per balance sheet	- - - - -	+	420	60,213,286
Liabilities or other liabilities deducted from assets	- - - - -	+	421	
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	- - - - -	+	422	
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423	
Total Assets as adjusted	- - - - -	=	430	60,213,286
Amounts in 360 and 361 (if deducted from assets)	- - - - -	+	440	
Subtract: Amounts in 371, 372 and 381	- - - - -	-	441	5,358,252
Subtract: Appraisal surplus if booked	- - - - -	-	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	±	443	
Total Assets	- - - - -	=	450	54,855,034

Investment Allowance ($\frac{410}{450}$) X 390 - - - - - Not to exceed 410 = 460

Taxable Capital 390 - 460 - - - - - = 470 46,515,448

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - - - 480 31,569,469

Total Assets (as adjusted) - - - - - From 430 60,213,286

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important:

If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR

If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B on pages 10 to 11 and select and complete the one specific subsection (e.g. B4) that applies to the corporation.

OR

If the corporation IS a member of an associated group and/or partnership, complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

Section A

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

Enter NIL in 550 on page 13 and complete the return from that point.

Section B

This section applies if the corporation is NOT a member of an associated group and /or partnership

- B1.** If the taxation year end is before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B2.** If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B3.** If the taxation year commences after September 30, 2001 and 430 and 480 are both \$3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B4.** If taxable capital, 470 is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

Capital Tax Calculation *continued from Page 10*

B5. If taxable capital, 470 on page 10, exceeds \$2,000,000 but is \$5,000,000 or less, complete the following calculations and transfer the total From 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

+ (a) From 470 46,515,448 X 0.3% =+ 490

Deduct:

From 470
\$2,800,000 - 46,515,448 X 0.75% =- 493
If 2,800,000 - 470 is negative, enter NIL in 493
Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

(506 = 490 - 493) = 506 X From 30 100.0000 % X =+ 507
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

+ (b) From 470 46,515,448 X 0.3% =+ 490

Deduct:

From 470
\$3,200,000 - 46,515,448 X 0.5% =- 495
If 3,200,000 - 470 is negative, enter NIL in 495
Days in taxation year after Dec 31, 2000 and before Oct. 1, 2001 558

(509 = 490 - 495) = 509 X From 30 100.0000 % X =+ 522
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (c) Capital Tax for that portion of a taxation year after September 30, 2001 for a corporation whose taxable capital is \$5,000,000 or less and that is not associated, is NIL - - - - - + NIL

= Total Capital Tax for the taxation year 507 + 522 - - - - - =+ 508

Transfer to 543 on page 13 and complete the return from that point

B6. If taxable capital, 470 on page 10, exceeds \$5,000,000, complete the following calculation and transfer the amount From 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

+ (a) From 470 46,515,448 X From 30 100.0000 % X 0.3% X 559 - - =+ 502
Days in taxation year before October 1, 2001
Ontario Allocation **365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (b)+ From 470 46,515,448
5,000,000
= 471 X From 30 100.0000 % X 0.3% X 560 - - =+ 523
Days in taxation year after September 30, 2001
Ontario Allocation **365 (366 if leap year)

= Total Capital tax for the taxation year 502 + 523 - - - - - = 508

Transfer to 543 on page 13 and complete the return from that point

** If floating taxation year, refer to Guide.

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and ☐ 510 ☒ (Yes)
 Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital - - - - - + From ☐ 470 46,515,448

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End		Taxable Capital
			+	<div>531</div>
			+	<div>532</div>
			+	<div>533</div>
+ Aggregate Taxable Capital <div>470</div> + <div>531</div> + <div>532</div> + <div>533</div> , etc				= <div>540</div> 46,515,448

If ☐ 540 above is \$5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL. Enter NIL in ☐ 523 in E1(c) or E2(b) on page 13.

If ☐ 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From ☐ 470 46,515,448 ÷ From ☐ 540 46,515,448 X 5,000,000 - - - - - = ☐ 541

Transfer to Section E2(b) on page 13

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners having no permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+
			511
			+
			512
			+
			513
+ 511 + 512 + 513, etc - - - - -			= 514
= Aggregate Taxable Capital 540 + 514 - - - - -			= 520 46,515,448

if ☐ 520 is greater than \$2,000,000

If ☐ 520 is greater than \$2,000,000 and less than \$3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From ☐ 470 46,515,448 ÷ From ☐ 520 46,515,448 = ☐ 521

Transfer to Section E1(a) and/or (b) as applicable, on page 13

Note: ☐ 521 cannot exceed 1.00000

SECTION D

This section applies if the corporation is a member of an associated group and/or partnership whose AGGREGATE taxable capital, ☐ 520 on this page, is \$2,000,000 or less.

Enter NIL in ☐ 550 on page 13 and complete the return from that point.

Capital Tax Calculation *continued from Page 12*

Section E

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, **520** on page 12, exceeds \$2,000,000.

E1. If total aggregate taxable capital **520** exceeds \$2,000,000 but is \$3,200,000 or less, complete the following calculations and transfer the total From **508** to **543** and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

+ (a) From **470** 46,515,448 X 0.3% - - - - - = + **490**

Deduct:

From **520** **520** X 0.75% X From **521** - - - - - = - **493** *If 2,800,000 - 520 is negative, enter NIL in 493*

\$2,800,000 - 46,515,448

553 Days in tax year after Dec 31, 1999 and before Jan 1, 2001

(**506** = **490** - **493**) = **506** X From **30** 100.0000 % X - - - - - = + **507**

Ontario Allocation ****365** (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

+ (b) From **470** 46,515,448 X 0.3% - - - - - = + **490**

Deduct:

From **520** **520** X 0.5% X From **521** - - - - - = - **495** *If 3,200,000 - 520 is negative, enter NIL in 495*

\$3,200,000 - 46,515,448

557 Days in tax year after Dec 31, 2000 and before Oct 1, 2001

(**509** = **490** - **495**) = **509** X From **30** 100.0000 % X - - - - - = + **522**

Ontario Allocation ****365** (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (c) Capital tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital (**540** on page 12) is \$5,000,000 or less, is NIL. Enter NIL - - - - - = + **523** NIL

= **Total Capital Tax for the taxation year** **507** + **522** + **523** - - - - - = **508**

Transfer to **543** and complete the return from that point.

E2. If the aggregate taxable capital **520** on page 12, exceeds \$3,200,000 complete the following calculations and transfer the total From **508** to **543** on this page, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

+ (a) From **470** 46,515,448 X From **30** 100.0000 % X 0.3% X **555** - - - - - = + **502**

Ontario Allocation ****365** (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

+ (b) + From **470** 46,515,448

- From **541** Section C - - - - -

560 Days in taxation year after September 30, 2001

= **471** 46,515,448 X From **30** 100.0000 % X 0.3% X **560** 174 - - - - - = + **523** 66,523

Ontario Allocation ****365** (366 if leap year)

= **Total Capital Tax for the taxation year** **502** + **523** - - - - - = **508** 66,523

Transfer to **543** and complete the return from that point.

****If floating taxation year, refer to Guide.**

Capital tax before application of specified credits - - - - -	=	543	66,523
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide) - - - - -	-	546	
Capital Tax 543 - 546 - - - - -	=	550	66,523

Transfer to Page 18

continued on Page 14

Calculation of Capital Tax for Financial Institutions

Credit Unions Only

Taxation years commencing after May 4, 1999 enter NIL in 550 on page 13, and complete the return from that point.

I.2. Other than Credit Unions

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

565

Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1

X

0.6%

X

From 30

100.0000

% X

Days in taxation year
555 174 ÷ **365 (366 if leap year)

= +

569

Ontario Allocation

570

Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount

X

571

% X

From 30

100.0000

% X

Days in taxation year
555 174 ÷ **365 (366 if leap year)

= +

574

Ontario Allocation

Capital Tax Rate (Refer to Guide)

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

** If floating taxation year, refer to Guide.

II. Small Business Investment Tax Credit

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

able Credit for Eligible Investments - - - - - 585

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes ☐

Capital Tax - Financial Institutions 575 - 585 = 586

Transfer to 543 Page 13

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

(1) Uninsured Benefits Arrangements - - - - - 587 X 2% = 588

Applies to Ontario-related uninsured benefits arrangements

(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

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

Premium Tax 588 - 589 = 590

Transfer to Page 18

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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - ± **600** -342,370
Transfer to Page 16

Add:

Federal capital cost allowance - - - - -	+ 601	1,187,667
Federal cumulative eligible capital deduction - - - - -	+ 602	1,431
Ontario taxable capital gain - - - - -	+ 603	
Federal non-allowable reserves. Balance beginning of year - - - - -	+ 604	416,244
Federal allowable reserves. Balance end of year - - - - -	+ 605	167,985
Ontario non-allowable reserves. Balance end of year - - - - -	+ 606	
Ontario allowable reserves. Balance beginning of year - - - - -	+ 607	176,606
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+ 608	
Federal resource allowance - - - - -	+ 609	
Federal depletion allowance - - - - -	+ 610	
Federal foreign exploration and development expenses - - - - -	+ 611	
Management fees, rents, royalties and similar payments to non-arms' length non-residents		

Number of Days in Taxation Year

612	X $\frac{5}{14.5}$ x	Days after May 1,2000 and before Jan. 1,2001	Total Days			
		24	73	174	- - - - -	= + 631
612	X $\frac{5}{14.0}$ x	Days after Dec 31,2000 and before Oct. 1,2001	Total Days			
		26	73	174	- - - - -	= + 632
612	X $\frac{5}{12.5}$ x	Days after Sept. 30,2001 and before Jan. 1,2003	Total Days			
		28	73	174	- - - - -	= + 633
612	X $\frac{5}{11.0}$ x	Days after Dec. 31,2002 and before Jan. 1,2004	Total Days			
		31	73	174	- - - - -	= + 634

Total add-back amount for Management fees, etc. **631** + **632** + **633** + **634** = + **613**

Federal allowable business investment loss - - - - - + **620**

Items allowed federally but disallowed by Ontario:

- - - - - +
- - - - - +

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

Add: Federal Scientific Research Expenses claimed in year from fed form T661 - - - - - + **615**

Sub Total of Additions **601** to **614** + **615** + **620** - - - - - = **640** 1,949,933
Transfer to Page 16

DOLLARS ONLY

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

continued from Page 15

income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From \pm 600 -342,370
 Sub Total of Additions - - - - - From $=$ 640 1,949,933

Deduct:

Ontario capital cost allowance - - - - -	+	650	1,187,667
Ontario cumulative eligible capital deduction - - - - -	+	651	1,431
Federal taxable capital gain - - - - -	+	652	
Ontario non-allowable reserves. Balance beginning of year - - - - -	+	653	76,484
Ontario allowable reserves. Balance end of year - - - - -	+	654	167,985
Federal non-allowable reserves. Balance end of year - - - - -	+	655	339,760
Federal allowable reserves. Balance beginning of year - - - - -	+	656	176,606
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) - - - - -	+	657	
Ontario depletion allowance - - - - -	+	658	
Ontario resource allowance - - - - -	+	659	
Ontario research and development super allowance (Attach schedule) - - - - -	+	660	
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget +		674	
Ontario current cost adjustment (Attach schedule) - - - - -	+	661	

Ontario New Technology Tax Incentive (ONTTI) Gross-up*Applies* only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying
 intellectual property deducted in the current taxation year - - - 662

ONTTI Gross-up deduction calculation:

From 662	Gross-up of CCA	From 662	= 663
	X 100		
	From 30		
	100.0000		
	Ontario Allocation		

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665	X 30% X 100	= 666
	From 30	
	100.0000	
	Ontario Allocation	

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667	X 100% X 100	= 668
	From 30	
	100.0000	
	Ontario Allocation	

Number of Employees accommodated 669**Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.)(Refer to guide)**

Qualifying expenditures: 670	X 30% X 100	= 671
	From 30	
	100.0000	
	Ontario Allocation	

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672	X 15% X 100	= 673
	From 30	
	100.0000	
	Ontario Allocation	

Ontario allowable business investment loss - - - - -	+	678	
------------------------------------------------------	---	-------------------------------------------------------------------	--

Items disallowed federally but allowed by Ontario:

Sum of other deductions allowed by Ontario (Attach schedule) - - - - -	+	664	
------------------------------------------------------------------------	---	-------------------------------------------------------------------	--

Deduct: Ontario Scientific Research Expenses claimed in year from Ont form CT161 - - -	+	679	
----------------------------------------------------------------------------------------	---	-------------------------------------------------------------------	--

Sub Total of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664	=	1,949,933	680	1,949,933
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Net income (loss) for Ontario purposes	600 + 640 - 680	=	690	-342,370
-----------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	-------------------------------------------------------------------	----------

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 214,594	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701 342,370	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703 342,370	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704	715 (4)	724	734 (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 18	716 (2) To Page 18	726 (2) To Page 18	736 (2) To Page 18	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8) 556,964	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Notes:

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

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993/12/31				350	870
801 1994/12/31				851	871
802 1995/12/31				852	872
803 1996/12/31	820	830	840	853	873
804 1997/12/31	821	831	841	854	874
805 1998/12/31	822 85,388	832	842	855	875
806 1999/12/31	823 36,894	833	843	856	876
807 2000/12/31	824 92,312	834	844	857	877
808 2001/12/31	825	835	845	858	878
809 2002/12/31	826 342,370	836	846	859	879
Total	829 556,964	839 <NIL>	849 <NIL>	869 <NIL>	889

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

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

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

Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 342,370	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations's Tax Account No. (MOF)	911	921	931	941
Taxation Year Ending YYYY MM DD				
i) 3rd preceding 901 1999/12/31				
ii) 2nd preceding 902 2000/12/31				
iii) 1st preceding 903 2001/12/31				
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919 342,370	929	939	949

Summary

Income Tax	- - - - +	From 230 or 320	
Corporate Minimum Tax	- - - +	From 280	39,727
Capital Tax	- - - - - +	From 550	66,523
Premium Tax	- - - - - +	From 590	
Total Tax Payable	- - - - - =	950	106,250
Subtract: Payments	- - - - - -	960	116,491
Capital Gains Refund (s.48)	- - - - - -	965	
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- - - - - -	985	
Specified Tax Credits (Refer to Guide)	- - - - - -	955	
Balance	- - - - - - =	970	-10,241
If payment due	- - - - - - Enclosed*	990	
If overpayment: Refund (Refer to Guide)	=	975	10,241
year month day			
Apply to		980	
(includes credit interest)			

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, **payable to the MINISTER OF FINANCE** print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

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

Name (please print)

TIM CURTIS

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

1130 BERTIE STREET

FORT ERIE

ON

CA L2A5Y2

Signature

Date

30/06/2003

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

Please complete
Corporation's Legal Name

CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)

5998695

Taxation Year End

2002/12/31

CT23 Schedule A

Page 19 of 24

DOLLARS ONLY

Corporate Minimum Tax - Schedule A:

Calculation of CMT Base



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

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + [2100] 577.013

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes - - - - - + [2101]
Provision for deferred income taxes (credits) - - - - - + [2102]
Equity income from corporations - - - - - + [2103]
Share of partnership(s)/joint venture(s) income - - - - - + [2104]
Dividends received/receivable deductible under fed.s.112 - - - - - + [2105]
Dividends received/receivable deductible under fed.s.113 - - - - - + [2106]
Dividends received/receivable deductible fed.s.83(2) - - - - - + [2107]
Federal Part VI.1 tax paid on dividends declared and paid
after May 5, 1997, under fed.s.191.1(1) X 9/4 - + [2108]

Subtotal - - - - - = - [2109]

Add (to extent reflected in net income/loss):

Provision for current taxes - - - - - + [2110] 275.499
Provision for deferred income taxes (debits) - - - - - + [2111] 140.675
Equity losses from corporations - - - - - + [2112]
Share of partnership(s)/joint venture(s) losses - - - - - + [2113]
Dividends that have been deducted to arrive at net income per Financial Statements.
Applies to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1)
(excluding dividends under fed.s.137(4.1)) - - - - - + [2114]

Subtotal - - - - - = 416.174 + [2115] 416.174

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + [2116] or - [2117]
** Fed. s.85.1 - - - - - + [2118] or - [2119]
** Fed. s.97 - - - - - + [2120] or - [2121]
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + [2122] or - [2123]
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + [2124] or - [2125]
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years - - - - - + [2126] or - [2127]

Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - [2150]

Subtotal (Additions) - - - - - = + [2128]

Subtotal (Subtractions) - - - - - = - [2129]

** Other adjustments - - - - - + [2130]

Subtotal + [2100] - [2109] + [2115] + [2128] - [2129] + [2130] = [2131] 993.187

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - + [2132]

Adjusted net income (loss)

(if loss, transfer to [2202] in **Schedule B: Continuity of CMT Losses Carried Forward, Page 20**) = [2133] 993.187

Deduct * CMT losses: pre-1994 Loss - - - - - + From [2210]

* CMT losses: other eligible losses - - - - - + From [2211]

= - [2134]

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = [2135] 993.187

Transfer to CMT Base, Page .

Please complete

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

CANADIAN NIAGARA POWER INC.

5998695

2002/12/31

Corporate Minimum Tax (CMT)



Schedule D: Continuity of CMT Credit Carryovers

DOLLARS ONLY

Balance at Beginning of year (1) - - - - - + 2301 91,412

Add: Current year's CMT credit (280 on page 8, If negative, enter NIL) + From 280 39,727

CMT Credit Carryovers from predecessor corporations (2) - - - + 2302

Amalgamation (X) 2303 ☐ Yes Wind-up (X) 2304 ☐ Yes

Subtotal - - - - - = 39,727 + 2305 39,727

Adjustments (Attach schedule) - - - - - + 2306

CMT credit carryover available 2301 + 2305 + 2306 - - - - - 2307 131,139
Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310

CMT Credit expired during the year - - - - - + 2308

Subtotal - - - - - = - 2309

Balance at End of Year (3) 2307 - 2309 - - - - - 2310 131,139

Notes:

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

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

	Year of Origin (oldest year first) YYYY MM DD	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	1993/12/31	2360	2390
2341	1994/12/31	2361	2381
2342	1995/12/31	2362	2382
2343	1996/12/31	2363	2383
2344	1997/12/31	2364	2384
2345	1999/12/31	2365 22,532	2385
2346	2000/12/31	2366 13,547	2386
2347	2001/12/31	2367 34,524	2387
2348	2002/07/10	2368 20,809	2388
2349	2002/12/31	2369 39,727	2389
Totals		2370 131,139	2390

The sum of amounts 2370 + 2390 must equal
amount in 2310

Schedule A: Information on Ontario Corporations

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



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

Identification			
Corporation's Legal Name (including punctuation)		Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation year/month/day
CANADIAN NIAGARA POWER INC.		1341103	1999/02/17
Director/Officer Information			
Full Name and Address for Service:			
Last Name		First Name	Middle Name(s)
HAWKES		R	SCOTT
Street Number and Name		Suite	
239 RIVERVIEW BLVD			
City/Town/Village		Province/State	Country
ST CATHARINES		ON	CA
		Postal/Zip Code	
		L2T 3N2	
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date Elected year/month/day	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	<input type="checkbox"/> Chair
			<input type="checkbox"/> Chair Person
Date Ceased year/month/day			<input type="checkbox"/> Chairman
			<input type="checkbox"/> Chairwoman
	President		<input type="checkbox"/> Vice-Chair
			<input checked="" type="checkbox"/> Vice-President
	Secretary	2003/04/01	<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
	Treasurer		<input checked="" type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
	General Manager		<input type="checkbox"/> Managing Director
	Other (specify)	2003/04/01	<input checked="" type="checkbox"/> Other (untitled)
			<input type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input checked="" type="checkbox"/> Authorized Signing Officer

Director/Officer Information

Full Name and Address for Service:			
Last Name		First Name	Middle Name(s)
MCCABE		RONALD	WILLIAM
Street Number and Name		Suite	
9 GARDINER PLACE			
City/Town/Village		Province/State	Country
ST JOHN'S		NF	CA
		Postal/Zip Code	
		A1A 5C3	
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Date Elected year/month/day	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	<input type="checkbox"/> Chair
			<input type="checkbox"/> Chair Person
Date Ceased year/month/day			<input type="checkbox"/> Chairman
			<input type="checkbox"/> Chairwoman
	President		<input type="checkbox"/> Vice-Chair
			<input type="checkbox"/> Vice-President
	Secretary		<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
	Treasurer		<input checked="" type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
	General Manager		<input type="checkbox"/> Managing Director
	Other (specify)	2003/04/01	<input checked="" type="checkbox"/> Other (untitled)
			<input type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input checked="" type="checkbox"/> Authorized Signing Officer

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Schedule A: Information on Ontario Corporations

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



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

Identification			
Corporation's Legal Name (including punctuation)		Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation year/month/day
CANADIAN NIAGARA POWER INC.		1341103	1999/02/17
Director/Officer Information			
Full Name and Address for Service:			
Last Name		First Name	Middle Name(s)
ERBLAND		MARDON	J
Street Number and Name		Suite	
693 FERNDAL AVENUE			
City/Town/Village		Province/State	Country
FORT ERIE		ON	CA
		Postal/Zip Code	
		L2A 5L7	
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Date Elected year/month/day	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	<input checked="" type="checkbox"/> Chair
1999/02/17	1999/02/17	2003/03/01	<input checked="" type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chair Person
			<input type="checkbox"/> Chairman
			<input type="checkbox"/> Chairwoman
			<input type="checkbox"/> Vice-Chair
			<input type="checkbox"/> Vice-President
			<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
			<input type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
			<input type="checkbox"/> Managing Director
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input type="checkbox"/> Authorized Signing Officer
			<input type="checkbox"/> Other (untitled)

Director/Officer Information			
Full Name and Address for Service:			
Last Name		First Name	Middle Name(s)
DALEY		WILLIAM	J
Street Number and Name		Suite	
9 OVERTON COURT			
City/Town/Village		Province/State	Country
LANCASTER		NY	US
		Postal/Zip Code	
		14086	
Director	Officer		Other Titles (please specify):
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the appointment period for each of the following:		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Date Elected year/month/day	Date Appointed Year/Month/Day	Date Ceased Year/Month/Day	<input checked="" type="checkbox"/> Chair
003/02/17	2003/04/01		<input checked="" type="checkbox"/> Chief Executive Officer
			<input type="checkbox"/> Chair Person
			<input type="checkbox"/> Chairman
			<input type="checkbox"/> Chairwoman
			<input type="checkbox"/> Vice-Chair
			<input type="checkbox"/> Vice-President
			<input type="checkbox"/> Assistant Secretary
			<input type="checkbox"/> Assistant Treasurer
			<input checked="" type="checkbox"/> Authorized Signing Officer
			<input type="checkbox"/> Chief Manager
			<input type="checkbox"/> Executive Director
			<input type="checkbox"/> Managing Director
			<input type="checkbox"/> Chief Financial Officer
			<input type="checkbox"/> Chief Information Officer
			<input type="checkbox"/> Chief Operating Officer
			<input type="checkbox"/> Chief Administrative Officer
			<input type="checkbox"/> Comptroller
			<input type="checkbox"/> Other (untitled)

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Cumulative Eligible Capital Deduction
Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NADIAN NIAGARA POWER INC.	5998695	2002/12/31

For use by a corporation that has eligible capital property.

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

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

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 42,883 A

Add: Cost of eligible capital property acquired during the taxation year + B

Amount transferred on amalgamation or wind-up of subsidiary + C

Other adjustments + D

Total of B + C + D = x 3/4 = E

Subtotal A + E = 42,883 F

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada) + H

Other adjustments + I

Total of G + H + I = x 3/4 = J

Ontario Cumulative eligible capital balance F - J = 42,883 K

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

Current year deduction 42,883 K x 7% * = 1,431 L

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

Enter the amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = 41,452 M

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

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

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

Amount from line K above show as a positive amount. N

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 1

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA 2

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 3

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 4

Line 3 deduct line 4 5

Total lines 1 + 2 + 5 6

Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000 7

Deduct line 7 from line 6 O

N- O (cannot be negative) P

Amount on line 5 X 1/2 Q

- Q R

Amount on line R X 2/3 S

Lesser of line N or line O T

Amount to be included in income S + T T

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2002/12/31

For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	A <NIL>	B <NIL>	C <NIL>

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	176,606		167,985
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	D 176,606	E <NIL>	F 167,985

The amount from **D** plus the amount from **E** should be entered in of the CT23.
The amount from **F** should be entered in of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box of the CT23

Enter in box of the CT23

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	31/12/2002

CAPITAL TAX SUPPORTING SCHEDULE

PARTNERSHIPS / JOINT VENTURES INFORMATION:

Corporation's share of paid-up capital:

1. _____
2. _____
3. _____ to (362) _____

Corporation's share of gross revenue:

Corporation's own gross revenue 31,569,469

ADD:

1. _____ 0
2. _____ 0
3. _____ 0

Total gross revenue of corporation & partnerships to (480) 31,569,469

ELIGIBLE INVESTMENTS:

Term deposits & trust company investment certificates:

1. _____
2. _____
3. _____ to (400) _____

Bonds & securities - Gov't/Municipality/School District:

1. _____
2. _____
3. _____ to (401) _____

Bonds & debentures of other corporations:

1. _____
3. _____ to (402) _____

Mortgages due from other corporations:

1. _____
2. _____
3. _____ to (403) _____

Shares in other corporations:

1. _____
2. _____
3. _____ to (404) _____

Loans & advances to corporations (except amounts due from related corporations with head office outside Canada outstanding less than 120 days) or to a Government:

1. _____
2. _____
3. _____ to (405) _____

Eligible loans and advances to related corporations s.62(5.1)(5.2) certain restrictions apply (Refer to Guide)

1. _____
2. _____
3. _____ to (406) _____

Shares of partnership(s) or joint venture(s) eligible investments:

1. _____
2. _____
3. _____ to (407) _____

LOANS AND ADVANCES:

From corporations or government

From shareholders or related persons

From SEE ATTACHED SCHEDULE 25,957,878

From _____ to (353) 25,957,878

2003 CNPI CT23 PROVINCIAL TAX RETURN



Ministry of Finance

2003

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9**CT23 Corporations Tax and
Annual Return**For taxation years commencing
after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)

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

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

The **Annual Return** (common Page 1 and the MCBS Schedules A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

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

Page 1 of 24

Corporation's Legal Name (including punctuation) CANADIAN NIAGARA POWER INC.			Ministry Use	
Mailing Address 1130 BERTIE STREET FORT ERIE ON L2A5Y2 CA			Ontario Corporations Tax Account No. (MOF) 5998695 This CT23 return covers the Taxation Year Start year month day 2003/01/01 End year month day 2003/12/31	
Has the mailing address changed since last filed CT23 return? <input type="checkbox"/> Yes <input type="checkbox"/> No Date of Change			Date of Incorporation or Amalgamation year month day 1999/02/17	
Registered/Head Office Address 1130 BERTIE STREET FORT ERIE ON L2A5Y2 CA			Ontario Corporation No. (MCBS) 1341103	
Location of Books and Records 1130 BERTIE STREET FORT ERIE ON L2A5Y2 CA			Canada Customs and Revenue Agency (formerly Revenue Canada) Business No. If applicable, enter 872498225 RC 0001	
Name of person to contact regarding this CT23 Return Telephone No. Fax No. GLEN KING 9058710330 9058718676			Jurisdiction Incorporated: ONTARIO	
Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MCBS)			If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced: year month day Ceased: year month day <input checked="" type="checkbox"/> Not Applicable	
Former Corporation Name (Extra-Provincial Corporations only) <input checked="" type="checkbox"/> Not Applicable (MCBS)			Preferred Language / Langue de preference: <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French francais	
Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). Y If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check <input checked="" type="checkbox"/> this box. Schedule(s) A and K are not required (MCBS). Y <input checked="" type="checkbox"/> No Change			Ministry Use 	

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

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

J W Geldert

Title: ☐ Director ☒ Officer ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return
Identification continued (for CT23 filers only)

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

- 1 ☐ Canadian-controlled Private (CCPC) all year
(Generally a private corporation of which 50%
or more shares are owned by
Canadian residents.) (fed.s.125(7)(b))
- 2 ☐ Other Private Share Capital with full voting
3 ☐ Public rights owned by Canadian (nearest percent)
4 ☐ Non-share Capital Residents 100 0%
- 5 ☒ Other ☒ Controlled by public

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

If applicable, enter

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

If applicable, enter

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

Specify major business activity:

ELECTRICAL ENERGY

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

- ☐ First Year of Filing ☐ Final Taxation Year up to Dissolution (wind-up) ☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario
- ☐ Amended Return ☒ Final Taxation Year before Amalgamation ☐ Acquisition of Control fed s.249(4)
- ☐ Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required ☐ Floating Fiscal Year End
- Date Control was acquired
year month day

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

Income Tax

CT23 Page 4 of 24

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

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	± From	690	4,215,205	D
Subtract: Charitable donations	- - - - -	-	1	1,028	D
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -	-	2		D
Subtract: Taxable dividends deductible, per federal T2 SCH 3	- - - - -	-	3		D
Subtract: Ontario political contributions (Attach schedule 2A)(Int.B.3002)	- - - - -	-	4		D
Subtract: Federal Part VI.1 tax	- - - - -	-	5		D
Subtract: Prior years' losses applied -					
Non-capital losses	- - - - -	- From	704	688,576	D
Net capital losses	From 715 (page 16) X inclusion rate % =	-	714		D
Farm losses	- - - - -	- From	724		D
Restricted farm losses	- - - - -	- From	734		D
Limited partnership losses	- - - - -	- From	754		D

Taxable income (Non-capital loss)	- - - - -	=	10	3,525,601	D
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+	11		D
Adjusted Taxable Income	10 + 11 (if 10 is negative, enter 11)	=	20	3,525,601	D

Taxable Income

From 10 (or 20 if applicable)	Ontario Allocation	Number of Days in Taxation Year	
3,525,601 X 30 100.0000 % X 12.5% X		Days after Sept 30, 2001 and before Jan 1, 2004 Total Days 33 365 ÷ 73 365	= + 29 440,700 D
3,525,601 X 30 100.0000 % X 11.0% X		Days after Dec 31, 2003 and before Jan 1, 2005 Total Days 34 ÷ 73 365	= + 32 D
Income Tax Payable (before deduction of tax credits)	29 + 32		= 40 440,700 D

Incentive Deduction for Small Business Corporations (IDSBC) (s.41) (If this section is not completed, IDSBC will be denied.)

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

(X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50		D
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	- - - - -	+ 51	3,525,601	D
Add: Losses of other years deducted for federal purposes (fed.s.111)	- - - - -	+ 52	688,576	D
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- - - - -	- 53	688,576	D
		=	3,525,601	D
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$200,000)	- - - - -	+ 55		D
Add: Ontario enhancement of federal business limit				

Number of Days in Taxation Year

80,000 X	Days after Sept 30, 2001 and before Jan 1, 2003 Total Days 28 ÷ 73 365	
X From 55 ÷ 200,000		= + 43 D
120,000 X	Days after Dec 31, 2002 and before Jan 1, 2004 Total Days 31 365 ÷ 73 365	
X From 55 ÷ 200,000		= + 46 D
160,000 X	Days after Dec 31, 2003 and before Jan 1, 2005 Total Days 34 ÷ 73 365	
X From 55 ÷ 200,000		= + 47 D

Ontario enhancement of federal business limit	43 + 46 + 47	=	DY + 44	D
Business Limit for Ontario purposes	55 + 44	=		D
Income eligible for the IDSBC	- - - - -	From 30 100.0000 % X 56	D = 60	D

* Ontario Allocation

Least of 50, 54 or 45

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

continued on Page 5

Corporation's Legal Name **CANADIAN NIAGARA POWER INC.** Ontario Corporations Tax Account No. (MOF) **5998695** Taxation Year End **2003/12/31**

DOLLARS ONLY

Income Tax *continued from Page 4***Calculation of IDSBC Rate****Number of Days in Taxation Year**

	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
6.5% X	28	73	365	= + 79
	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
7.0% X	31	73	365	= + 89 7.0000
	Days after Dec 31, 2003 and before Jan 1, 2005	Total days		
6.0% X	34	73	365	= + 90

IDSBC Rate for Taxation Year **79** + **89** + **90** = **78 7.0000**

Claim From **60** X From **78 7.0000** % = **70**

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

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

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

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

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

****Taxable Income of the corporation** From **10** (or **20** if applicable) + **80 3,525,601**

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

Name of associated corporation (Canadian & foreign)
(If insufficient space, attach schedule)

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

Taxation Year End

****Taxable Income**
(if loss, enter nil)

		+ 82	
		+ 83	
		+ 84	
Aggregate of Taxable Income	80 + 82 + 83 + 84 , etc	= 85 3,525,601	

Number of Days in Taxation Year

Subtract:	280,000	X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
			28	73	365	= + 113
	320,000	X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
			31	73	365	= + 115 320,000
	360,000	X	Days after Dec 31, 2003 and before Jan 1, 2005	Total days		
			34	73	365	= + 116
			+ 113 + 115 + 116			= 320,000 Y
(If negative, enter nil)						= 86 3,205,601

Number of Days in Taxation Year

	4.333% X	Days after Sept 30, 2001 and before Jan 1, 2003	Total days		
		28	73	365	= + 95
	4.667% X	Days after Dec 31, 2002 and before Jan 1, 2004	Total days		
		31	73	365	= + 96 4.6670
	4.000% X	Days after Dec 31, 2003 and before Jan 1, 2005	Total days		
		34	73	365	= + 97
Specified rate of surtax for Taxation Year	95 + 96 + 97				= 94 4.6670
From 86 3,205,601	X	From 94 4.6670 %			= 87 149,605
From 87 149,605	X	From 60			= 88
Surtax Lesser of 70 or 88					= 100

continued on Page 6

Income Tax *continued from Page 5*

110 _____ D

CANTAX T2, 2003 CT23, version 03.2.307 Approval Code 0101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

Income Tax *continued from Page 6*

DOLLARS ONLY

Specified Tax Credits *(Refer to Guide)***Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies to research and development in Ontario.*

Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* - - - - - + 191 D

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

Eligible Credit From 5798 Summary Schedule F - - - - - + 192 D

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

Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form.)

received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) - - - - - + 193 D

Graduate Transitions Tax Credit (GTTC)(s.43.6)No. of Graduates From 6596*Applies to employment of eligible unemployed post secondary graduate.*194

Eligible Credit From 6598 Summary Schedule G - - - - - + 195 D

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

Eligible Credit From 6900 OBPTC Claim Form *(Attach both the original Claim Form and the Certification Form)* - - - + 196 D

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

Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) - - - - - + 197 D

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

Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* - - - - - + 198 D

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

Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form.)

received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) - - - - - + 199 D

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

Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation

(Attach original Claim/Certification Form.) - - - - - + 200 D

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

Eligible Credit From 7500 OSRTC Claim Form *(Attach both the original Claim Form and the Certification Form)* - - + 201 D

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

Specified Tax Credits Applied to reduce Income Tax - - - - - = 225 D

Income Tax 190 - 225 **OR Enter NIL if reporting Non-Capital loss** (amount cannot be negative) - - - = 230 **440,700** D

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

DOLLARS ONLY

Corporate Minimum Tax (CMT)**Determination of Applicability**

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

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

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

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

* Total Assets of the corporation - - - - - + [240] 73,387,059 D
 * Total Revenue of the corporation - - - - - + [241] 52,638,811 D

If you are a member of an associated group (x) [242] ☒ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached schedule			+ [243] 500,000,000 D	+ [244] 100,000,000 D
			+ [245] _____ D	+ [246] _____ D
			+ [247] _____ D	+ [248] _____ D
Aggregate Total Assets	[240] + [243] + [245] + [247], etc		= [249] 573,387,059 D	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc			= [250] 152,638,811 D

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 18, 19 and 20 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 18.)

Gross CMT Payable - - - CMT Base From [2135] 3,420,426 D X From [30] 100.0000 % X 4% = [276] 136,817 D
 if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - - [277] _____ D

Subtract: Income Tax - - - - - From [190] 440,700 D

Net CMT Payable (if negative, enter Nil on Page 17.) - - - - - = [280] -303,883 D

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from **Page 7 to Income Tax Summary, on Page 17.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to **Page 17** and transfer [280] to **Page 17, and to Schedule D: Continuity of CMT**

Credit Carryovers, on **Page 20.**

CMT Credit Carryover available - - - - - From [2307] 131,139 D

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From [190] 440,700 D

Gross CMT Payable - - - - - + From [276] 136,817 D

Subtract: Foreign Tax Credit for CMT purposes - - - - - From [277] _____ D

If [276] - [277] is negative, enter NIL in [290] = 136,817 D Y - - - [290] 136,817 D

Income Tax eligible for CMT Credit - - - - - = [300] 303,883 D

B. Income Tax (after deduction of specified credits) - - - - - + From [230] 440,700 D

Subtract: CMT credit used to reduce income taxes - - - - - [310] 131,139 D

Income Tax - - - - - = [320] 309,561 D

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

If only B applies, [310] cannot exceed the lesser of [230] and your CMT credit carryover available [2307].

Transfer to page 17

DOLLARS ONLY

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

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

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

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

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

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

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

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

Paid-Up Capital

Paid-up capital stock (Int.B.3012 and 3015)	- - - - -	+	350	23,900,000	D
Retained earnings (if deficit, deduct)(Int.B. 3012)	- - - - -	+	351	4,020,043	D
Capital and other surpluses, excluding appraisal surplus (Int.B.3012)	- - - - -	+	352		D
Loans and advances (Attach schedule)(Int.B.3013)	- - - - -	+	353	30,671,491	D
Bank loans (Int.B.3013)	- - - - -	+	354		D
Bankers acceptances (Int.B.3013)	- - - - -	+	355		D
Bonds and debentures payable (Int.B.3013)	- - - - -	+	356		D
Mortgages payable (Int.B.3013)	- - - - -	+	357		D
Lien notes payable (Int.B.3013)	- - - - -	+	358		D
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)(Int.B.3013)	- - - - -	+	359	1,271,035	D
Contingent, investment, inventory and similar reserves (Int.B.3012)	- - - - -	+	360	2,050,596	D
Other reserves not allowed as deductions for income tax purposes (Attach schedule)(Int.B.3012)	- - - - -	+	361		D
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))(Int.B.3017)	- - - - -	+	362		D
Subtotal	- - - - -	=	370	61,913,165	D
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)(Int.B.3012)	- - - - -	-	371	5,986,561	D
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes(Int.B.3015)	- - - - -	-	372		D
Total Paid-up Capital	- - - - -	=	380	55,926,604	D
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))(Int.B.3015)	- - - - -	-	381		D
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	- - - - -	-	382		D
Net Paid-up Capital	- - - - -	=	390	55,926,604	D

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

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

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+	402		D
Mortgages due from other corporations	- - - - -	+	403		D
Shares in other corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	404	5,025,910	D
Loans and advances to unrelated corporations	- - - - -	+	405		D
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	406		D
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	- - - - -	+	407		D
Total Eligible Investments	- - - - -	=	410	5,025,910	D

continued on Page 10

Capital Tax *continued from Page 9*

Total Assets (Int.B.3015)

Total Assets per balance sheet	- - - - -	+	420	73,387,059	D
Mortgages or other liabilities deducted from assets	- - - - -	+	421		D
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	- - - - -	+	422		D
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423		D
Total Assets as adjusted	- - - - -	=	430	73,387,059	D
Amounts in 360 and 361 (if deducted from assets)	- - - - -	+	440		D
Subtract: Amounts in 371, 372 and 381	- - - - -	-	441	5,986,561	D
Subtract: Appraisal surplus if booked	- - - - -	-	442		D
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	±	443		D
Total Assets	- - - - -	=	450	67,400,498	D

Investment Allowance (410 ÷ 450) X 390 - - - - - **Not to exceed** 410 = 460 **4,170,326** D

Taxable Capital 390 - 460 - - - - - = 470 **51,756,278** D

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - 480 **52,638,811** D

Total Assets (as adjusted) - - - - - From 430 **73,387,059** D

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important:

- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11 and if applicable, complete Section D or Section E on page 12. **Note:** if the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.

Section A

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

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

Section B

This section applies if the corporation is NOT a member of an associated group and/or partnership

- B1.** If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.
- B2.** If taxable capital, 470 on page 10 is **\$5,000,000 or less**, enter NIL in 550 on page 12 and complete the return from that point.
- B3.** If taxable capital, 470 on page 10, exceeds **\$5,000,000**, complete the following calculation and transfer the amount From 523 to 543 on page 12 and complete the return from that point.

+	From	470	51,756,278	D					
			5,000,000	D					
=		471	46,756,278	D	X	From	30	100.0000	% X 0.3% X 555 365 - - =+ 523 140,269 D
								Ontario Allocation	**365 (366 if leap year)

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

**** If floating taxation year, refer to Guide.**

continued on Page 11

Capital Tax Calculation continued from page 10

SECTION C

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

C1. ☐ 509 (X if applicable) All corporations that you are associated with do not have a permanent establishment in Canada.

If taxable capital ☐ 470 on page 10 is \$5,000,000 or less, enter NIL in ☐ 550 on page 12 and complete the return from that point.

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

C2. ☒ 524 (X if applicable) One or more of the corporations that you are associated with maintains a permanent establishment in Canada.

If the taxation year ends before January 1, 2003, you must complete the Calculation below.

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

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

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

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

Taxable Capital From ☐ 470 on page 10 - - - - - + From ☐ 470 51,756,278 D

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

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)

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

Taxation Year End

Taxable Capital

See schedule CT21 + ☐ 531 D
+ ☐ 532 D
+ ☐ 533 D
Aggregate Taxable Capital ☐ 470 + ☐ 531 + ☐ 532 + ☐ 533, etc - - - - - = ☐ 540 439,019,715 D

E

If ☐ 540 above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL. Enter NIL in ☐ 523 in section D on page 12, as applicable.

If ☐ 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under section D on page 12.

From ☐ 470 51,756,278 D ÷ From ☐ 540 439,019,715 D x 5,000,000 - - - - - = ☐ 541 589,453
Transfer to ☐ 542 in Section D on page 12

Ss.69(2.1) Election filed

☐ 591 (X if applicable)

Election filed. Attach a copy of the election with this CT23 Return. Process to section E on page 12

continued on Page 12

Capital Tax Calculation *continued from Page 11*

Section D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital,

540 on page 11, exceeds \$5,000,000.

Complete the following calculations and transfer the amount From 523 to 543 and complete the return from that point.

+ From 470 51,756,278 **D**
 - 542 589,453 **D**
 = 471 51,166,825 **D** x From 30 100.0000 % x 0.3% x 555 365 **D**
 Ontario Allocation Days in taxation year
 **365 (366 if leap year)

Section E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From [470] 51,756,278 D X From [30] 100.0000 % X 0.3% - - - - = + [561] _____ D
 Ontario Allocation
 - Capital tax deduction From [995] relating to your corporation's capital tax deduction on ss.69(2.1) election-form. - From [995] _____ D
 = [562] _____ D
 Days in taxation year
Capital tax- - - - - - [562] _____ D X [555] 365 = [563] _____ D
 **365 (366 if leap year)
 Transfer to [543] and complete the return from that point

**** If floating taxation year, refer to Guide.**

Capital Tax before application of specified credits - - - - -	=	543		140,269	D
Subtract: Specified Tax credits applied to reduce capital tax payable (<i>Refer to Guide</i>) - - - - -	-	546			D
Capital Tax 543 - 546 (<i>amount cannot be negative</i>) - - - - -	=	550		140,269	D

Transfer to page 17

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in on page 12, and complete the return from that point.

I.2. Other than Credit Unions

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

X 0.6% X From 100.0000 % X 365 ÷ **365 = +
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 Ontario Allocation (366 if leap year)

X % X From 100.0000 % X 365 ÷ **365 = +
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount Capital Tax Rate (Refer to Guide) Ontario Allocation (366 if leap year)

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) + - - - - - =

**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

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

Allowable Credit for Eligible Investments - - - - -
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes ☐

Capital Tax - Financial Institutions - - - - - - =
Transfer to on Page 12

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

(1) Uninsured Benefits Arrangements - - - - - X 2% - - =
Applies to Ontario-related uninsured benefits arrangements

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

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide) - - - - -

Premium Tax - - - - - - =
Transfer to Page 17

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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - + **600** **4,215,205** **D**

Transfer to Page 15

Add:

Federal capital cost allowance - - - - -	+ 601	2,812,607	D
Federal cumulative eligible capital deduction - - - - -	+ 602	2,902	D
Ontario taxable capital gain - - - - -	+ 603		D
Federal non-allowable reserves. Balance beginning of year - - - - -	+ 604	339,760	D
Federal allowable reserves. Balance end of year - - - - -	+ 605	222,247	D
Ontario non-allowable reserves. Balance end of year - - - - -	+ 606	964,827	D
Ontario allowable reserves. Balance beginning of year - - - - -	+ 607	167,985	D
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+ 608		D
Federal resource allowance - - - - -	+ 609		D
Federal depletion allowance - - - - -	+ 610		D
Federal foreign exploration and development expenses - - - - -	+ 611		D
Management fees, rents, royalties and similar payments to non-arms' length non-residents E			

Number of Days in Taxation Year

612 **D** $\times \frac{5}{12.5} \times$

Days after Sept. 30, 2001 and before Jan. 1, 2004	Total Days
33 365	73 365

 \div **73** **365** **= + 633** **D**

612 **D** $\times \frac{5}{11.0} \times$

Days after Dec. 31, 2003 and before Jan. 1, 2005	Total Days
34	365

 \div **73** **365** **= + 634** **D**

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

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

Add any negative amount in **473** from Ont. CT23 Schedule 161 - - - - - + **616** **D**

Federal allowable business investment loss - - - - - + **620** **D**

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

Total of Additions **601** to **611** + **613** + **615** + **616** + **620** + **614** = **4,510,328** **D** **= 640 4,510,328** **D**

Transfer to Page 15

Deduct:

Ontario capital cost allowance(excluded amounts deducted under 675) - - - - -	+ 650	2,812,607	D
Ontario cumulative eligible capital deduction - - - - -	+ 651	2,902	D
Federal taxable capital gain - - - - -	+ 652		D
Ontario non-allowable reserves. Balance beginning of year - - - - -	+ 653	339,760	D
Ontario allowable reserves. Balance end of year - - - - -	+ 654	222,247	D
Federal non-allowable reserves. Balance end of year - - - - -	+ 655	964,827	D
Federal allowable reserves. Balance beginning of year - - - - -	+ 656	167,985	D
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations.Do not submit.) - - -	+ 657		D
Ontario depletion allowance - - - - -	+ 658		D
Ontario resource allowance - - - - -	+ 659		D
Ontario current cost adjustment (Attach schedule) - - - - -	+ 661		D
Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.) - - - - -	+ 674		D
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources. - - -	+ 675		D

Subtotal of deductions for this page **650** to **659** + **661** + **674** + **675** - - - = **681 4,510,328** **D**

Transfer to Page 15

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

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From \pm **600** 4,215,205 **D**
Total of Additions - - - - - From **=** **640** 4,510,328 **D**
Sub Total of deductions on page 14 - - - - - From **=** **681** 4,510,328 **D**

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - **662** _____ **D**

ONTTI Gross-up deduction calculation:

From 662 _____ D	Gross-up of CCA	X	100		From 662 _____ D	=	663 _____ D
	From 30 <u>100.0000</u>						
	Ontario Allocation						

Workplace Child Care Tax Incentive

Qualifying expenditures: **665** _____ **D** X 30% X 100 = **666** _____ **D**
 From **30** 100.0000
 Ontario Allocation

Workplace Accessibility Tax Incentive

Qualifying expenditures: **667** _____ **D** X 100% X 100 = **668** _____ **D**
 From **30** 100.0000
 Ontario Allocation

Number of Employees accommodated **669** _____

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

Qualifying expenditures: **670** _____ **D** X 30% X 100 = **671** _____ **D**
 From **30** 100.0000
 Ontario Allocation

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: **672** _____ **D** X 15% X 100 = **673** _____ **D**
 From **30** 100.0000
 Ontario Allocation

Ontario allowable business investment loss - - - - - + **678** _____ **D**

Ontario Scientific Research Expenses claimed in year in **477** _____
from Ont. CT23 Schedule. 161 - - - - - + **679** _____ **D**

Amount added to income federally for an amount that was negative in line
454 of federal form T661 - - - - - + **677** _____ **D**

Total of other deductions allowed by Ontario (Attach schedule) - - - - - + **664** _____ **D**

Total of Deductions

681 + **663** + **666** + **668** + **671** + **673** + **678** + **679** + **677** + **664** - - - - - = 4,510,328 **D** **680** 4,510,328 **D**

Net income (loss) for Ontario purposes **600** + **640** - **680** - - - - - = **690** 4,215,205 **D**

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 688,576	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 (2) 688,576	715 (2)(4)	724	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 17	716 (2) To Page 17	726 (2) To Page 17	736 (2) To Page 17	746	
Subtotal	707 688,576	717	727	737	747	757
Balance at End of Year	709 (8) <NIL>	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Notes:

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

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

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1994/12/31				850	870
801 1995/12/31				851	871
802 1996/12/31				852	872
803 1997/12/31	820	830	840	853	873
804 1998/12/31	821	831	841	854	874
805 1999/12/31	822	832	842	855	875
806 2000/12/31	823	833	843	856	876
807 2001/12/31	824	834	844	857	877
808 2002/12/31	825	835	845	858	878
809 2003/12/31	826	836	846	859	879
Total	829 <NIL>	839 <NIL>	849 <NIL>	869 <NIL>	889

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.Ontario Corporations Tax Account No. (MOF)
5998695Taxation Year End
2003/12/31

DOLLARS ONLY

Request for Loss Carry-Back (s.80(16))**Applies** to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.**D** If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.**D** Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.**D** Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance.****D** Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.**D** The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

D If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.**Application of Losses**

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations's Tax Account No. (MOF)				
Taxation Year Ending YYYY MM DD				
i) 3rd preceding 901 2000/12/31	911	921	931	941
ii) 2nd preceding 902 2001/12/31	912	922	932	942
iii) 1st preceding 903 2002/12/31	913	923	933	943
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax	- - - - + From 230 or 320	309,561	D
Corporate Minimum Tax	- - - + From 280		D
Capital Tax	- - - - - + From 550	140,269	D
Premium Tax	- - - - - + From 590		D
Total Tax Payable	- - - - - = 950	449,830	D
Subtract: Payments	- - - - - - 960	463,061	D
Capital Gains Refund (s.48)	- - - - - - 965		D
Qualifying Environmental-Trust Tax Credit (Refer to Guide)	- - - - - - 985		D
Specified Tax Credits (Refer to Guide)	- - - - - - 955		D
Balance	- - - - - - = 970	-13,231	D
If payment due	- - - - - Enclosed* 990		D
If overpayment: Refund (Refer to Guide)	= 975	13,231	D
Apply to	year month day 980		D

(Includes credit interest)

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

Certification

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

Name (please print)

J WILLIAM GELDERT

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

1130 BERTIE STREET

FORT ERIE
L2A5Y2ON
CA

Signature

Date

30/06/2004

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

Please complete

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

CANADIAN NIAGARA POWER INC.

5998695

2003/12/31

CT23 Schedule A

Page 18 of 24

DOLLARS ONLY

Corporate Minimum Tax - Schedule A:

Calculation of CMT Base

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + [2100] 2,333,778 D

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current incomes taxes - - + [2101] D
 Provision for deferred income taxes (credits) / benefit of future incomes taxes - - + [2102] D
 Equity income from corporations - - - - - + [2103] D
 Share of partnership(s)/joint venture(s) income - - - - - + [2104] D
 Dividends received/receivable deductible under fed.s.112 - - - - - + [2105] D
 Dividends received/receivable deductible under fed.s.113 - - - - - + [2106] D
 Dividends received/receivable deductible fed.s.83(2) - - - - - + [2107] D
 Federal Part VI.1 tax paid on dividends declared and paid under fed.s.191.1(1) - - - - - + [2108] D

Subtotal - - - - - = Y - [2109] D

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current incomes taxes - - - - - + [2110] 792,604 D
 Provision for deferred income taxes / cost of future incomes taxes (debits) - - + [2111] 294,044 D
 Equity losses from corporations - - - - - + [2112] D
 Share of partnership(s)/joint venture(s) losses - - - - - + [2113] D
 Dividends that have been deducted to arrive at net income per Financial Statements. s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - - - + [2114] D

Subtotal - - - - - = Y + [2115] 1,086,648 D

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + [2116] D or - [2117] D
 ** Fed. s.85.1 - - - - - + [2118] D or - [2119] D
 ** Fed. s.97 - - - - - + [2120] D or - [2121] D
 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years + [2122] D or - [2123] D
 ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years + [2124] D or - [2125] D
 ** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years - - - - - + [2126] D or - [2127] D

Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income - - - - - - [2150] D

Subtotal (Additions) - - - - - = Y + [2128] D

Subtotal (Subtractions) - - - - - = Y - [2129] D

** Other adjustments - - - - - + [2130] D

Subtotal + [2100] - [2109] + [2115] + [2128] - [2129] + [2130] - - - - - = [2131] 3,420,426 D

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - + [2132] D

Adjusted net income (loss)

(if loss, transfer to [2202] in **Schedule B: Continuity of CMT Losses Carried Forward, Page 19**) - - - - - = [2133] 3,420,426 D

Deduct * CMT losses: pre-1994 Loss - - - - - + From [2210] D

* CMT losses: other eligible losses - - - - - + From [2211] D

= Y - [2134] D

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = [2135] 3,420,426 D

Transfer to CMT Base, Page 8

Please complete

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

CANADIAN NIAGARA POWER INC.

5998695

2003/12/31

Corporate Minimum Tax (CMT)



Schedule D: Continuity of CMT Credit Carryovers

DOLLARS ONLY

Balance at Beginning of year (1) - - - - - + 2301 131,139 D

Add: Current year's CMT credit (280 on page 8, if negative, enter NIL) + From 280 D
 CMT Credit Carryovers from predecessor corporations (2) - - - + 2302 D
 Amalgamation (X) 2303 Yes Wind-up (X) 2304 Yes

Subtotal - - - - - = Y + 2305 D

Adjustments (Attach schedule) - - - - - + 2306 D

CMT credit carryover available 2301 + 2305 + 2306 - - - - - Y 2307 131,139 D
Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 131,139 D
 CMT Credit expired during the year - - - - - + 2308 D
 Subtotal - - - - - = 131,139 D Y - 2309 131,139 D

Balance at End of Year (3) 2307 - 2309 - - - - - Y 2310 D

Notes:

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

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

	Year of Origin (oldest year first) YYYY MM DD	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	1994/12/31	2360	2380
2341	1995/12/31	2361	2381
2342	1996/12/31	2362	2382
2343	1997/12/31	2363	2383
2344	1998/12/31	2364	2384
2345	1999/12/31	2365	2385
2346	2000/12/31	2366	2386
2347	2001/12/31	2367	2387
2348	2002/12/31	2368	2388
2349	2003/12/31	2369	2389
Totals		2370	2390

The sum of amounts 2370 + 2390 must equal
amount in 2310



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Charitable Donations and Gifts
Schedule 2 page 1 of 3

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2003/12/31
----------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

D For use by corporations to claim any of the following:

- Charitable donations;
- Gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations;
- Gifts to Canada or a province;
- Gifts of certified cultural property; or
- Gifts of certified ecologically sensitive land.

D The donations and gifts are eligible for a five year carry-forward.**D** Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal *Income Tax Act* (Canada).**D** File one completed copy of this schedule with your CT23.**Part 1 - Charitable Donations**

Charitable donations at end of preceding taxation year	+		A
Deduct: Donations expired after 5 taxation years	-		B
Charitable donations at beginning of taxation year	=		C
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	+		D
Total current year charitable donations made	+	1,028	E
Subtotal D + E	=	1,028	Y
Total donations available C + F	= +	1,028	G
Deduct: Amount applied against taxable income: (amount T)	-	1,028	T
Charitable donations closing balance	=		H

Part 2 - Maximum deduction calculation for donationsOntario net income for tax purposes multiplied by 75% = 3,161,404 **I****Note:** For credit unions the Ontario net income for tax purposes is the amount before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Ontario taxable capital gains arising in respect of gifts of capital property	+		J
Ontario taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)ITA	+		K

Add the lesser of:1. The amount of the recapture of capital cost allowance in respect of charitable gifts **L**2. **The lesser of:**2a. Proceeds of dispositions less outlays and expenses **M**2b. The capital cost **N**The lesser of amounts **M** and **N** **Y**The lesser of amounts **L** and **O****Subtotal J + K + P** = **Q**25% X **Q** = **R****Maximum deduction allowable I + R** = 3,161,404 **S****Claim for charitable donations:** (not exceeding the lesser of **G** from Part 1, **S** and net income for tax purposes) = 1,028 **T**Enter the amount in box **1** of the CT23

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

Part 3 - Gifts to Her Majesty in right of Ontario

For use by a corporation claiming gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations.

Gifts to Ontario Crown agency or Ontario Foundation at the end of the preceding taxation year	+	
Deduct: Gifts expired after 5 years	-	
Gifts to Ontario Crown agency or Ontario Foundation at the beginning of the taxation year	=	
Add: Gifts transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts	+	
Subtotal	=	
Deduct: Amount applied against taxable income <input type="text" value="2"/> of the CT23	-	
Gifts to Ontario Crown agency or Ontario Crown Foundation closing balance	=	

Foundation Name	Date of Donation	Amount \$
Total gifts to Her Majesty in right of Ontario		=

Part 4 - Maximum deduction calculation for gifts to Her Majesty in right of Ontario

Deduction is the lesser of:

1. Ontario Net Income before deductions of gifts after deducting charitable donations and gifts to Her Majesty in right of Canada or a province other than Ontario U
2. Lesser of
 - 2a. Ontario Net Income for the taxation year V
 - 2b. Gifts made in the taxation year or any of the five preceding taxation years to Her Majesty in right of Ontario, an Ontario Crown agency or an Ontario Crown foundation W
 - The Lesser of V and W Y

Maximum deduction allowable the lesser of U and X X
 Transfer to of the CT23

Part 5 - Gifts to Canada or province other than Ontario

Gifts to Canada or a province other than Ontario at the end of the preceding taxation year	+	
Deduct: Gifts to Canada or a province other than Ontario expired after five taxation years	-	
Gifts to Canada or a province other than Ontario at the beginning of the taxation year	=	
Add: Gifts to Canada or a province other than Ontario transferred on amalgamation or wind-up of a subsidiary	+	
Total current year Gifts to Canada or a province other than Ontario (Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date)	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts to Canada or a province other than Ontario closing balance	=	

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

Part 6 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	+	
Deduct: Gifts of certified cultural property expired after five years	-	
Gifts of certified cultural property at the beginning of the taxation year	=	
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified cultural property	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified cultural property closing balance	=	

Part 7 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	+	
Deduct: Gifts of certified ecologically sensitive land expired after five years	-	
Gifts of certified ecologically sensitive land at the beginning of the taxation year	=	
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified ecologically sensitive land	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified ecologically sensitive land closing balance	=	

Part 8 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Her Majesty in right of Ontario	Gifts to Canada or a province other than Ontario	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1999/12/31					
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
Totals					

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

Part 9 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998				<NIL>	
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003		1,028	1,028		<NIL>
Total		1,028	1,028		<NIL>

Part 10 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 11 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 12 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

(1998 and later taxation years)

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 5998695	Taxation Year End	Year Month Day 2003/12/31
-----------------------------------------------------------	-----------------------------------	-------------------------	-------------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.Is the corporation electing under regulation 1101(5g)? **101** 1 Yes ☐ 2 No ☒

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
1		37,437,227	3,487,362			40,924,589	1,743,681	39,180,908	4.0	1,567,236	39,357,353
2		3,024,578				3,024,578		3,024,578	6.0	181,475	2,843,103
8		960,292	53,822			1,014,114	26,911	987,203	20.0	197,441	816,673
10		1,290,991	545,527		1,870	1,834,648	271,829	1,562,819	30.0	468,846	1,365,802
12		254,779	285,661			540,440	142,831	397,609	100.	397,609	142,831
	Total	42,967,867	4,372,372		1,870	47,338,369	2,185,252	45,153,117		2,812,607	44,525,762

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

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

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes ☐

2 No ☒

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
reg	42967,867	4,372,372		1,870	47338,369	2,185,252	45153,117
10.1							
13							
14							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
reg			2,812,607	44525,762	650		
10.1							
13							
14							
Total			2,812,607				

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture _____ Enter in 650 on the CT23

Terminal loss _____ Enter in 650 on the CT23

CCA Claimed 2,812,607 Enter in 650 on the CT23

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

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

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

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



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Cumulative Eligible Capital Deduction
Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 5998695	Taxation Year End 2003/12/31
----------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

For use by a corporation that has eligible capital property.

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

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

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero)	41,452	A
Add: Cost of eligible capital property acquired during the taxation year	+	B
Amount transferred on amalgamation or wind-up of subsidiary	+	C
Other adjustments	+	D
Total of B + C + D	=	x 3/4 = E
Subtotal A + E	=	41,452 F
Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the <i>Income Tax Act</i> (Canada)	+	H
Other adjustments	+	I
Total of G + H + I	=	x 3/4 = J
Ontario Cumulative eligible capital balance F - J	=	41,452 K
If amount K is negative, enter zero at line M and proceed to Part 2		
Current year deduction 41,452 K x 7% *	=	2,902 L
* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter the amount in box 651 of the CT23		
Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero)	=	38,550 M

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

Part 2 - Amount to be included in income arising from disposition**Only Complete this part only if the amount at line K is negative**

Amount from line K above show as a positive amount		N
Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	1	
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA	2	
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	3	
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	4	
Line 3 deduct line 4	5	
Total lines 1 + 2 + 5	6	
Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000	7	
Deduct line 7 from line 6		O
N - O (cannot be negative)		P
Amount on line 5 X 1/2		Q
P - Q		R
Amount on line R X 2/3		S
Lesser of line N or line O		T
Amount to be included in income S + T		

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



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

Ontario Continuity of Reserves Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	A <NIL>	B <NIL>	C <NIL>

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	167,985		222,247
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	D 167,985	E <NIL>	F 222,247

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.
The amount from **F** should be entered in **654** of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box **653** of the CT23

Enter in box **606** of the CT23

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	5998695	2003/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
CANADIAN NIAGARA POWER INC .	5998695	2003/12/31	73,387,059	52,638,811
FOR A COMPLETE LIST OF ASSOCIATED CORPORATIONS,				
REFER TO THE FEDERAL S23 OF PARENT, FORTIS INC.			500,000,000	100,000,000
Totals			573,387,059	152,638,811

(Transfer to **249** of the CT23) (Transfer to **250** of the CT23)



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

ELECTRONIC FILING CERTIFICATE FOR CORPORATIONS TAX RETURN CT23

Return I.D. # 8724982252004062907185100000 (Ministry Use Only)

Please check (x) appropriate boxes if applicable

☐ First Year of Filing
☐ Amended return
☐ Taxation Year End has changed
Approval by Rev. Can. required
☐ Exempt From Filing
☐ Final Taxation Year up to
Dissolution
☒ Final Taxation Year before
Amalgamation
☐ Floating Fiscal Year End
☐ Subject to CMT
☐ Change of Control
fed.s.249(4)
Date control was acquired:
Start
End

Corporations Tax Account Number
5998695

Date of Incorporation
1999/02/17
Return for Taxation Year
2003/01/01
2003/12/31
CCRA Business Number
872498225

Jurisdiction Incorporated

ONTARIO

Change of Information? (x) Yes ☐ No ☒

Corporation's Legal Name: CANADIAN NIAGARA POWER INC.

Mailing Address: 1130 BERTIE STREET

FORT ERIE

ON L2A5Y2

Transmitter Details

Transmitter number 8545901
Transmitter name FORTISONTARIO INC
Name of person to contact .. TIMOTHY CURTIS
Telephone Number 9058710330
Facsimile number 9058718818
Transmitter Address 1130 BERTIE STREET FORT ERIE ON L2A
Disk Reference Number

[250] Aggregate of Total Revenue: 152,638,811
[249] Aggregate of Total Assets: 573,387,059
[10] Taxable Income (Non-capital Loss): 3,525,601
[950] Total Tax Payable: 449,830
[960] Payments: 463,061
[990] Enclosed:
Apply to Year:
Apply amount:
[975] Refund: 13,231 Yes ☒ No ☐
If Yes, Due To:
Loss Carryback Yes ☐ No ☒
Overpayment Yes ☒ No ☐
Refundable Tax Credit Yes ☐ No ☒

Certification

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

Name J WILLIAM GELDERT

Title CHIEF FINANCIAL OFFI

Full Residence:

Address 1 1130 BERTIE STREET

Address 2 FORT ERIE

Address 3 ON CA

Postal Code L2A5Y2

30/06/2004 9058710330

Signature

Date

Phone #

Cantax T2Plus version 03.2.307.121a

Approval Code: 0101

PAYMENT ADVICE

Corporations Tax Account Number 5998695
Date of Incorporation 1999/02/17
Name CANADIAN NIAGARA POWER INC.

Enter the amount of payment and indicate taxation year

Taxation Year End	Payment Amount
<u>2003/12/31</u>	\$
Total Payment	\$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send To: Ontario Ministry of Finance

Corporations Tax Branch

P.O. Box 642

33 King Street West

Oshawa, ON, L1H 8T1

Incomplete Information will result in a delay processing an assessment.

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0001	Taxation Year End	Year Month Day 2003/12/31
----------------------------------------------------	--------------------------------------	-------------------------	------------------------------------

**General Index of Financial Information (GIFI)
Balance Sheet Information**

T2 SCH 100

Assets

Page 1 of 3

Current assets

Cash and deposits	1000	1,125,765
Accounts receivable	1060	9,344,736
Allowance for doubtful accounts	1061	55,815
Trade accounts receivable from related parties	1064	1,298,251
Inventories	1120	1,036,149
Other current assets	1480	112
Prepaid expenses	1484	233,660
Total current assets	1599	12,982,858

Capital assets

Machinery, equipment, furniture and fixtures	1740	75,902,947
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	23,229,613
Total tangible capital assets	2008	75,902,947
Total accumulated amortization of tangible capital assets	2009	23,229,613

Intangible Capital Assets

Total intangible capital assets	2178	
Total accumulated amortization of intangible capital assets	2179	

Long Term Assets

Investment in Canadian related corporations at equity	2245	5,025,910
Deferred pension charges	2422	1,308,016
Other deferred items / charges	2424	1,398,053
Total long term assets	2589	7,731,979

Assets held in trust	2590	
----------------------------	------	--

Total assets *	2599	73,388,171
-----------------------------	-------------	-------------------

* Mandatory field

Do not file with CCRA. Submit the RSI forms only.

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 2 of 3

Liabilities

Current liabilities

Trade payables	2621	5,969,219
Taxes payable	2680	925,897
Other current liabilities	2960	2,937,041
Deposits received	2961	457,197
Total current liabilities	3139	10,289,354

Long term liabilities

Deferred income taxes	3240	1,271,035
Due to corporate shareholder(s)	3262	30,000,000
Long term obligations / commitments / capital leases	3321	2,050,596
General provisions / reserves	3325	1,857,030
Total long term liabilities	3450	35,178,661

Total liabilities *	3499	45,468,015
----------------------------------	-------------	-------------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

General Index of Financial Information (GIFI)
Balance Sheet Information

T2 SCH 100

Page 3 of 3

Shareholder Equity

Common shares	3500	23,900,000
Retained earnings / deficit (from Line 3849)	3600	4,020,156

Total shareholder equity *	3620	27,920,156
-----------------------------------------	-------------	------------

* Mandatory field

Retained Earnings Information

Retained earnings / deficit

Retained earnings / deficit - start	3660	1,686,378
Net income / loss	3680	2,333,778
Retained earnings / deficit - end (enter this amount at Line 3600)	3849	4,020,156

Total liabilities and shareholder equity	3640	73,388,171
-------------------------------------------------------	-------------	------------

Name of Corporation	Business Number	Taxation Year End	Year Month Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003/12/31

**General Index of Financial Information (GIFI)
Income Statement Information**

T2 SCH 125

Page 1 of 7

0001 Operating name - Required if different from corporation's legal name

0002 Description of the operation - Required if filing more than one GIFI 125 and the operation is different from the main activity

0003 Sequence Number

1

Revenue

Trade sales of goods and services	8000	53,706,731
Total sales of goods and services	8089	53,706,731
Realized gains / losses on disposal of assets	8210	-2,141

Other Revenue

Total revenue *	8299	53,704,590
------------------------------	-------------	-------------------

* Mandatory field

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

General Index of Financial Information (GIFI)
Income Statement Information

T2 SCH 125

Page 2 of 7

Cost of sales

Purchases / cost of materials	8320	34,546,260
Other direct costs	8450	9,696,851
Cost of sales	8518	44,243,111
 Gross profit / loss	 8519	 9,463,620

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0001		2003	12	31

**General Index of Financial Information (GIFI)
Income Statement Information**

T2 SCH 125

Page 3 of 7

Operating expenses

Promotion	8524	9,671
Amortization of tangible assets	8670	2,863,181
Insurance	8690	182,554
Interest and bank charges	8710	1,863,191
Professional fees	8860	752,575
Property taxes	9180	257,090
Travel expenses	9200	112,791
Total operating expenses	9367	6,041,053

Total expenses *	9368	50,284,164
-------------------------------	-------------	-------------------

* Mandatory field

Net non-farming income **9369** **3,420,426**

2004 CNPI CT23 PROVINCIAL TAX RETURN



Ministry of Finance

2003

Corporations Tax Branch
P.O. Box 620
33 King Street West
Oshawa, ON L1H 8E9

CT23 Corporations Tax and Annual Return

For taxation years commencing
after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

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

The **Annual Return** (common Page 1 and the MCBS Schedules A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide)

☒ Yes ☐ No

Page 1 of 24

Corporation's Legal Name (including punctuation)
CANADIAN NIAGARA POWER INC.

Mailing Address
1130 BERTIE STREET

FORT ERIE ON
L2A5Y2 CA

Has the mailing address changed since last filed CT23 return? ☐ Yes

Date of Change

Registered/Head Office Address
1130 BERTIE STREET

FORT ERIE ON
L2A5Y2 CA

Location of Books and Records
1130 BERTIE STREET

FORT ERIE ON
L2A5Y2 CA

Name of person to contact regarding this CT23 Return Telephone No. Fax No.
KING GLEN (905) 871-0330

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

Former Corporation Name (Extra-Provincial Corporations only) ☒ Not Applicable (MCBS)

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

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

No. of Schedules

Y ☒ No Change

Ontario Corporations Tax Account No. (MOF)

9271340

This CT23 return covers the Taxation Year

Start year month day
2004/01/01

End year month day
2004/12/31

Date of Incorporation or Amalgamation

year month day
2004/01/01

Ontario
Corporation No.
(MCBS)

1341103

Canada Customs and Revenue Agency
(formerly Revenue Canada) Business No.

If applicable, enter
872498225 RC 0002

Jurisdiction
Incorporated:

ONTARIO

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

Commenced: year month day

Ceased: year month day

☒ Not Applicable

Preferred Language / Langue de preference:

☒ English ☐ French
anglais francais

Ministry Use



Certification (MCBS)

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

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

GLEN KING

Title: **D** ☐ Director **O** ☒ Officer **P** ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

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

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

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

if applicable, enter

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

if applicable, enter

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

Specify major business activity:

ELECTRICAL ENERGY

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

☒ First Year of Filing

☐ Final Taxation Year up to Dissolution (wind-up)
(Note: For discontinued businesses, see Guide.)

☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario

☐ Amended Return

☐ Final Taxation Year before Amalgamation

☐ Acquisition of Control fed s.249(4)

☐ Taxation Year End has changed - Canada Customs
and Revenue Agency (formerly Revenue Canada)
approval required

☐ Floating Fiscal Year End

Date Control was acquired

year month day

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

Income Tax

CT23 Page 4 of 24

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

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	±	From	690	1,937,334	D
Subtract: Charitable donations	- - - - -	-		1	410	D
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -	-		2		D
Subtract: Taxable dividends deductible, per federal T2 SCH 3	- - - - -	-		3		D
Subtract: Ontario political contributions (Attach schedule 2A)(Int.B.3002)	- - - - -	-		4		D
Subtract: Federal Part VI.1 tax	- - - - -	-		5		D
Subtract: Prior years' losses applied -	- - - - -	-				
Non-capital losses	- - - - -	-	From	704		D
Net capital losses	- - - - -	-	From	715		D
Farm losses	- - - - -	-	From	724		D
Restricted farm losses	- - - - -	-	From	734		D
Limited partnership losses	- - - - -	-	From	754		D
Taxable income (Non-capital loss)	- - - - -	=		10	1,936,924	D
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+		11		D
Adjusted Taxable Income	- - - - -	=		20	1,936,924	D

Taxable Income

From	10	Ontario										
(or	20	Allocation										
if applicable)												
Number of Days in Taxation Year												
<table border="1"> <tr> <td>Days after Sept 30, 2001 and before Jan 1, 2004</td> <td>Total Days</td> </tr> <tr> <td>33</td> <td>73</td> </tr> <tr> <td colspan="2">366</td> </tr> </table>							Days after Sept 30, 2001 and before Jan 1, 2004	Total Days	33	73	366	
Days after Sept 30, 2001 and before Jan 1, 2004	Total Days											
33	73											
366												
1,936,924	x	30	100.0000	% x 12.5%	x	29						
1,936,924	x	30	100.0000	% x 14.0%	x	32						
						271,169						
Income Tax Payable (before deduction of tax credits)						40						
						271,169						

Incentive Deduction for Small Business Corporations (IDSBC) (s.41) (If this section is not completed, IDSBC will be denied.)

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

(X) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	- - - - -	51	1,936,924
Add: Losses of other years deducted for federal purposes (fed.s.111)	- - - - -	52	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- - - - -	53	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	
		54	1,936,924

Ontario Business Limit Calculation

280,000 x	28	÷	**	366	= +	43	D
320,000 x	31	÷	**	366	= +	46	D
400,000 x	34	366	÷	**	366	= +	47
						400,000	D

Business Limit for Ontario purposes

43 + 46 + 47 - - = 44 400,000 x 48 100.0000 % = 45 400,000

Income eligible for the IDSBC - - - - - From 30 100.0000 % x 56 D= 60 D

**** Ontario Allocation Least of 50, 54 or 45

* **Note:** Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to guide)
 ** **Note:** Adjust accordingly for floating taxation year and use 366 for a leap year.
 *** **Note:** For taxation year ending before Jan. 1, 2003, use your proportion of the associated group business limit
 **** **Note:** Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

Number of Days in Taxation Year

Days after Sept 30, 2001 and before Jan 1, 2003	Total days	
28	73	366
6.5% X		= + 79
Days after Dec 31, 2002 and before Jan 1, 2004	Total days	
31	73	366
7.0% X		= + 89
Days after Dec 31, 2003	Total days	
34	366	366
8.5% X		= + 90 8.5000

IDSBC Rate for Taxation Year 79 + 89 + 90

Claim From 60 X From 78 8.5000 % = 70

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

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

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

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

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

**Taxable Income of the corporation From 10 (or 20 if applicable) + 80 1,936,924 D

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

Name of associated corporation (Canadian & foreign) (If insufficient space, attach schedule)	Ontario Corporations Tax Account No.(MOF) (if applicable)	Taxation Year End	**Taxable Income (if loss, enter nil)
			+ 82
			+ 83
			+ 84
Aggregate Taxable Income	80 + 82 + 83 + 84, etc		= 85 1,936,924 D

Number of Days in Taxation Year

Days after Sept 30, 2001 and before Jan 1, 2003	Total days	
28	73	366
280,000 X		= + 113 D
Days after Dec 31, 2002 and before Jan 1, 2004	Total days	
31	73	366
320,000 X		= + 115 D
Days after Dec 31, 2003	Total days	
34	366	366
400,000 X		= + 116 400,000 D
113 + 115 + 116		= 400,000 D Y
(If negative, enter nil)		= 86 1,536,924 D

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

Days after Sept 30, 2001 and before Jan 1, 2003	Total days	
28	73	366
4.333% X		= + 95
Days after Dec 31, 2002 and before Jan 1, 2004	Total days	
31	73	366
4.667% X		= + 96
Days after Dec 31, 2003	Total days	
34	366	366
4.667% X		= + 97 4.6670

Specified rate of surtax for Taxation Year 95 + 96 + 97

From 86 1,536,924 D X From 94 4.6670 % = 87 71,728 D

From 87 71,728 D X From 60 400,000 D = 88

Surtax Lesser of 70 or 88

continued on Page 6

Corporation's Legal Name **CANADIAN NIAGARA POWER INC.** Ontario Corporations Tax Account No. (MOF) **9271340** Taxation Year End **2004/12/31**

DOLLARS ONLY

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17) - - - - - **110** **D**

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

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

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

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

Eligible Canadian Profits - - - - - **120** **D**

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From **56** **D**

Add: Adjustment for Surtax on Canadian-controlled private corporations

From **100** **D** ÷ From **30** **100.0000** % ÷ From **78** **8.5000** % = **121** **D**

*Ontario Allocation

Lesser of **56** or **121** - - - - - **122** **D**

120 - **56** + **122** - - - - - **130** **D**

Taxable Income - - - - - **10** **1,936,924** **D**

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From **56** **D**

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - From **122** **D**

Subtract: Taxable Income **10** X Allocation % to jurisdictions outside Canada - - - - - **140** **D**

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - **141** **D**

10 - **56** + **122** - **140** - **141** - - - - - **142** **1,936,924** **D**

Claim**Number of Days in Taxation Year**

Days after Sept 30, 2001
and before Jan 1, 2004

Total days

33 ÷ **73** **366**

Days after Dec 31, 2003

Total days

34 ÷ **73** **366**

143 Lesser of 130 or 142 X From **30** **100.0000** % X 1.5% X **33** ÷ **73** **366** = + **154** **D**

*Ontario Allocation

143 Lesser of 130 or 142 X From **30** **100.0000** % X 2.0% X **34** ÷ **73** **366** = + **156** **D**

*Ontario Allocation

M&P claim for taxation year + **154** + **156** - - - - - **160** **D**

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations - - - - - **161** **D**

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

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B.3001)(Attach schedule). **170** **D**

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit **175** **D** Credit Claimed **180** **D**

Sub-total of Income Tax **40** - **70** + **100** - **110** - **160** - **161** - **162** - **170** - **180** - - - - - **190** **271,169** **D**

continued on page 7

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Income Tax *continued from Page 6*

DOLLARS ONLY

Specified Tax Credits *(Refer to Guide)***Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies to research and development in Ontario.*

Eligible Credit From 5620 OITC Claim Form (Attach original Claim Form) - - - - - + 191 D

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

Eligible Credit From 5798 Summary Schedule F - - - - - + 192 1,000 D

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

Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form

received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) - - - - - + 193 D

Graduate Transitions Tax Credit (GTTC) (s.43.6)No. of Graduates From 6596*Applies to employment of eligible unemployed post secondary graduate.*194

Eligible Credit From 6598 Summary Schedule G - - - - - + 195 D

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

Eligible Credit From 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certification Form) - - - + 196 D

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

Eligible Credit From 6700 Claim Form Certified by Ontario Media Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) - - - - - + 197 D

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

Eligible Credit From 7100 OBRITC Claim Form (Attach original Claim Form) - - - - - + 198 D

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

Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form

received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) - - - - - + 199 D

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

Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation

(Attach original Claim/Certification Form.) - - - - - + 200 D

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

Eligible Credit From 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certification Form) - - + 201 D

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 = 220 1,000 D

Specified Tax Credits Applied to reduce Income Tax - - - - - = 225 1,000 D

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital loss (amount cannot be negative) - - - = 230 270,169 D

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2004/12/31
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DOLLARS ONLY

Corporate Minimum Tax (CMT)

Determination of Applicability

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

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

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

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

* Total Assets of the corporation - - - - - + [240] 78,750,000 D
 * Total Revenue of the corporation - - - - - + [241] 58,302,560 D

If you are a member of an associated group (x) [242] ☒ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached schedule			+ [243] 500,000,000 D	+ [244] 100000,000 D
			+ [245] _____ D	+ [246] _____ D
			+ [247] _____ D	+ [248] _____ D
Aggregate Total Assets	[240] + [243] + [245] + [247], etc		= [249] 578,750,000 D	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc			= [250] 158,302,560 D

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 18, 19 and 20 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 18.)

Gross CMT Payable - - - CMT Base From [2135] 2,805,554 X From [30] 100.0000 % X 4% = [276] 112,222 D
 if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - - [277] _____ D

Subtract: Income Tax - - - - - From [190] 271,169 D

Net CMT Payable (if negative, enter Nil on Page 17.) - - - - - = [280] -158,947 D

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from **Page 7 to Income Tax Summary, on Page 17.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to **Page 17** and transfer [280] to **Page 17, and to Schedule D: Continuity of CMT**

Credit Carryovers, on Page 20.

CMT Credit Carryover available - - - - - From [2307] _____ D

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From [190] 271,169 D

Gross CMT Payable - - - - - + From [276] 112,222 D

Subtract: Foreign Tax Credit for CMT purposes - - - - - From [277] _____ D

If [276] - [277] is negative, enter NIL in [290] = 112,222 D Y - - - [290] 112,222 D

Income Tax eligible for CMT Credit - - - - - = [300] 158,947 D

B. Income Tax (after deduction of specified credits) - - - - - + From [230] 270,169 D

Subtract: CMT credit used to reduce income taxes - - - - - [310] _____ D

Income Tax - - - - - = [320] 270,169 D

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

If only B applies, [310] cannot exceed the lesser of [230] and your CMT credit carryover available [2307].

Transfer to page 17

DOLLARS ONLY

Capital Tax *(Refer to Guide And Int.B. 3011)*

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

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

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

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

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

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

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

Paid-Up Capital

Paid-up capital stock (Int.B.3012 and 3015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 350	23,900,000	D
Retained earnings (if deficit, deduct)(Int.B.3012)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 351	5,998,551	D
Capital and other surpluses, excluding appraisal surplus (Int.B.3012)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 352		D
Loans and advances (Attach schedule)(Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 353	30,631,945	D
Bank loans (Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 354		D
Bankers acceptances (Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 355		D
Bonds and debentures payable (Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 356		D
Mortgages payable (Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 357		D
Lien notes payable (Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 358		D
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)(Int.B.3013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 359	2,123,240	D
Contingent, investment, inventory and similar reserves (Int.B.3012)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 360	2,099,800	D
Other reserves not allowed as deductions for income tax purposes (Attach schedule)(Int.B.3012)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 361		D
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))(Int.B.3017)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	+ 362		D
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	= 370	64,753,536	D
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)(Int.B.3012)																			- 371	7,127,198	D
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes(Int.B.3015)																			- 372		D
Total Paid-up Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	= 380	57,626,338	D
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))(Int.B.3015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 381		D
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation																					
																			- 382		D
Net Paid-up Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	= 390	57,626,338	D

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

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

[illegible]

continued on Page 10

DOLLARS ONLY

Capital Tax *continued from Page 9*

Total Assets (Int.B.3015)

Total Assets per balance sheet	- - - - -	+	420	78,750,000	D
Mortgages or other liabilities deducted from assets	- - - - -	+	421		D
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	- - - - -	+	422		D
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423		D
Total Assets as adjusted	- - - - -	=	430	78,750,000	D
Amounts in 360 and 361 (if deducted from assets)	- - - - -	+	440		D
Subtract: Amounts in 371, 372 and 361	- - - - -	-	441	7,127,198	D
Subtract: Appraisal surplus if booked	- - - - -	-	442		D
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	±	443		D
Total Assets	- - - - -	=	450	71,622,802	D

Investment Allowance (410 ÷ 450) X 390 - - - - - **Not to exceed** 410 = 460 D

Taxable Capital 390 - 460 - - - - - = 470 57,626,338 D

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - 480 58,302,560 D

Total Assets (as adjusted) - - - - - From 430 78,750,000 D

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

- Important:** If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11 and if applicable, complete Section D or Section E on page 12. **Note:** if the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.

Section A

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

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

Section B

This section applies if the corporation is NOT a member of an associated group and/or partnership

B1. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10 is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10, exceeds \$5,000,000, complete the following calculation and transfer the amount From 523 to 543 on page 12 and complete the return from that point.

+	From	470	57,626,338	D	
			5,000,000	D	
=		471		D	
	X From	30	100.0000	% X 0.3% X	555 366 - - =+ 523 D
			Ontario Allocation		**365 (366 if leap year)

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

**** If floating taxation year, refer to Guide.**

continued on Page 11

Capital Tax Calculation continued from page 10

SECTION C

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

C1. ☐ 509 (X if applicable) All corporations that you are associated with do not have a permanent establishment in Canada.

If taxable capital 470 on page 10 is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

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

C2. ☐ 524 (X if applicable) One or more of the corporations that you are associated with maintains a permanent establishment in Canada.

If the taxation year ends before January 1, 2003, you must complete the Calculation below.

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

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

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

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

Taxable Capital From 470 on page 10 - - - - - + From 470 57,626,338 D

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

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)

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

Taxation Year End

Taxable Capital

See schedule CT21 - - - - - + 531 197,536,709 D
- - - - - + 532 - - - - - D
- - - - - + 533 - - - - - D
Aggregate Taxable Capital 470 + 531 + 532 + 533, etc - - - - - = 540 255,163,047 D

E

If 540 above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL. Enter NIL in 523 in section D on page 12, as applicable.

If 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under section D on page 12.

From 470 57,626,338 D ÷ From 540 255,163,047 D X 5,000,000 - - - - - = 541 1,129,206
Transfer to 542 in Section D on page 12

Ss.69(2.1) Election filed

☐ 591 (X if applicable)

Election filed. Attach a copy of the election with this CT23 Return. Proceed to section E on page 12

continued on Page 12

Capital Tax Calculation *continued from Page 11*

Section D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on page 11, exceeds \$5,000,000.

Complete the following calculations and transfer the amount From to and complete the return from that point.

+ From 470 57,626,338 **D**
 - 542 1,129,206 **D**
 = 471 56,497,132 **D** X From 30 100.0000 % X 0.3% X 555 366 = + 523 169,491 **D**
 Ontario Allocation Days in taxation year
 **365 (366 if leap year) Transfer to 543 and complete (the return from that point)

Section E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+	From	470	57,626,338	D	X	From	30	100.0000	%	X	0.3% - - - - -	= +	561		
Ontario Allocation															
-	Capital tax deduction	From	995	relating to <i>your corporation's</i> capital tax deduction on ss.69(2.1) election-form.								-	From	995	
													=	562	
Days in taxation year															
Capital tax-	- - - - -	-	562		D	X	555	366				=	563		
**365 (366 if leap year)															
													Transfer to 543 and complete the return from that point		

**** If floating taxation year, refer to Guide.**

Capital Tax before application of specified credits	- - - - -	=	543	<u>169,491</u>
Subtract: Specified Tax Credits applied to reduce capital tax payable (<i>Refer to Guide</i>)	- - - - -	-	546	
Capital Tax	543 - 546 (<i>amount cannot be negative</i>)	-	550	<u>169,491</u>

Transfer to page 17

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in on page 12, and complete the return from that point.

I.2. Other than Credit Unions

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

<input type="text" value="565"/>	X	0.6%	X	From <input type="text" value="30"/>	100.0000	% X	<input type="text" value="555"/>	<input type="text" value="366"/>	÷	**365	=	+	<input type="text" value="569"/>	
					Ontario Allocation						(366 if leap year)			
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1														
<input type="text" value="570"/>	X	<input type="text" value="571"/>	% X	From <input type="text" value="30"/>	100.0000	% X	<input type="text" value="555"/>	<input type="text" value="366"/>	÷	**365	=	+	<input type="text" value="574"/>	
					Ontario Allocation						(366 if leap year)			
					Capital Tax Rate (Refer to Guide)									
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount														

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) + - - - - - =

**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

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

Allowable Credit for Eligible Investments - - - - -

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes ☐

Capital Tax - Financial Institutions - - - - - - =

Transfer to on Page 12

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

(1) Uninsured Benefits Arrangements - - - - - X 2% - - - =

Applies to Ontario-related uninsured benefits arrangements

(2) Unlicensed Insurance (enter premium tax payable in and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in .)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide) - - - - -

Premium Tax - - - - - - =

Transfer to Page 17

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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - ± **600** **1,937,334** **D**

Transfer to Page 15

Add:

Federal capital cost allowance - - - - -	+	601	3,304,403	D
Federal cumulative eligible capital deduction - - - - -	+	602	10,891	D
Ontario taxable capital gain - - - - -	+	603		D
Federal non-allowable reserves. Balance beginning of year - - - - -	+	604	964,827	D
Federal allowable reserves. Balance end of year - - - - -	+	605	228,659	D
Ontario non-allowable reserves. Balance end of year - - - - -	+	606	1,007,079	D
Ontario allowable reserves. Balance beginning of year - - - - -	+	607	222,247	D
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+	608		D
Federal resource allowance - - - - -	+	609		D
Federal depletion allowance - - - - -	+	610		D
Federal foreign exploration and development expenses - - - - -	+	611		D
Management fees, rents, royalties and similar payments to non-arms' length non-residents E				

Number of Days in Taxation Year

612 **D** × $\frac{5}{12.5}$ × $\frac{\text{Days after Sept. 30, 2001 and before Jan. 1, 2004}}{\text{Total Days}}$ = **633** **D**

$\frac{33}{73} \times 366 = 366$

612 **D** × $\frac{5}{14.0}$ × $\frac{\text{Days after Dec. 31, 2003}}{\text{Total Days}}$ = **634** **D**

$\frac{34}{73} \times 366 = 366$

Total add-back amount for Management fees, etc. **633** + **634** - = **640** **D**

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

Add any negative amount in **473** from Ont. CT23 Schedule 161 - - - - - + **616** **D**

Federal allowable business investment loss - - - - - + **620** **D**

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

Total of Additions **601** to **611** + **613** + **615** + **616** + **620** + **614** = **5,738,106** **D** = **640** **5,738,106** **D**

Transfer to Page 15

Deduct:

Ontario capital cost allowance(excludes amounts deducted under 675) - - - - -	+	650	3,304,403	D
Ontario cumulative eligible capital deduction - - - - -	+	651	10,891	D
Federal taxable capital gain - - - - -	+	652		D
Ontario non-allowable reserves. Balance beginning of year - - - - -	+	653	964,827	D
Ontario allowable reserves. Balance end of year - - - - -	+	654	228,659	D
Federal non-allowable reserves. Balance end of year - - - - -	+	655	1,007,079	D
Federal allowable reserves. Balance beginning of year - - - - -	+	656	222,247	D
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (<i>Retain calculations. Do not submit.</i>) - - -	+	657		D
Ontario depletion allowance - - - - -	+	658		D
Ontario resource allowance - - - - -	+	659		D
Ontario current cost adjustment (<i>Attach schedule</i>) - - - - -	+	661		D
Incentive for new electricity supply (section 13.6 deduction from income) (<i>Applies only to electrical generating corporations.</i>) - - -	+	674		D
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources. - - -	+	675		D

Subtotal of deductions for this page **650** to **659** + **661** + **674** + **675** - - - = **681** **5,738,106** **D**

Transfer to Page 15

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

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From \pm 600 1,937,334 D

Total of Additions - - - - - From $=$ 640 5,738,106 D

Sub Total of deductions on page 14 - - - - - From $=$ 681 5,738,106 D

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying
intellectual property deducted in the current taxation year - - - 662 D

ONTTI Gross-up deduction calculation:

From 662	Gross-up of CCA	X	100	-	From 662	=	663
	From 30		100.0000				
			Ontario Allocation				

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 D X 30% X 100 = 666 D

From 30 100.0000

Ontario Allocation

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 D X 100% X 100 = 668 D

From 30 100.0000

Ontario Allocation

Number of Employees accommodated 669

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

Qualifying expenditures: 670 D X 30% X 100 = 671 D

From 30 100.0000

Ontario Allocation

Educational Technology Tax Incentive: (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 D X 15% X 100 = 673 D

From 30 100.0000

Ontario Allocation

Ontario allowable business investment loss - - - - - + 678 D

Ontario Scientific Research Expenses claimed in year in 477
from Ont. CT23 Schedule. 161 - - - - - + 679 D

Amount added to income federally for an amount that was negative on federal
form T661, Line 454 or 455 (if filed after June 30, 2003) - - - - - + 677 D

Total of other deductions allowed by Ontario (*Attach schedule*) - - - - - + 664 D

Total of Deductions

681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 - - - - - = 5,738,106 D Y 680 5,738,106 D

Net income (loss) for Ontario purposes 600 + 640 - 680 - - - - - = 690 1,937,334 D

Transfer to Page 4

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)
9271340

Taxation Year End
2004/12/31

CT23 Page 16 of 24

DOLLARS ONLY

Continuity of Losses Carried Forward

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

Notes:

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

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

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1995/12/31				850	870
801 1996/12/31				851	871
802 1997/12/31				852	872
803 1998/12/31	820	830	840	853	873
804 1999/12/31	821	831	841	854	874
805 2000/12/31	822	832	842	855	875
806 2001/12/31	823	833	843	856	876
807 2002/12/31	824	834	844	857	877
808 2003/12/31	825	835	845	858	878
809 2004/12/31	826	836	846	859	879
Total	829 <NIL>	839 <NIL>	849 <NIL>	869 <NIL>	889

Corporation's Legal Name Ontario Corporations Tax Account No. (MOF) Taxation Year End
 CANADIAN NIAGARA POWER INC. 9271340 2004/12/31

DOLLARS ONLY

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

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

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

D Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

D Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

D Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

D The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

D If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income Predecessor Ontario Corporations's Tax Account No. (MOF) Taxation Year Ending YYYY MM DD				
i) 3rd preceding 901 2001/12/31	911	921	931	941
ii) 2nd preceding 902 2002/12/31	912	922	932	942
iii) 1st preceding 903 2003/12/31	913	923	933	943
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax - - - - + From 230 or 320 270,169 **D**
 Corporate Minimum Tax - - - + From 280 **D**
 Capital Tax - - - - - + From 550 169,491 **D**
 Premium Tax - - - - - + From 590 **D**
 Total Tax Payable - - - - - = 950 439,660 **D**
 Subtract: Payments - - - - - - 960 451,292 **D**
 Capital Gains Refund (s.48) - - - - - 965 **D**
 Qualifying Environmental-Trust Tax Credit (Refer to Guide) - - - - - 985 **D**
 Specified Tax Credits (Refer to Guide) - - - - - 955 **D**
 Balance - - - - - = 970 -11,632 **D**
 If payment due - - - - - Enclosed* 990 **D**
 If overpayment: Refund (Refer to Guide) = 975 11,632 **D**
 year month day
 Apply to 980 **D**
 (Includes credit interest)

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

Certification

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

Name (please print)

KING GLEN

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

1130 BERTIE STREET

FORT ERIE

ON

L2A5Y2

CA

Signature

Date

16/05/2005

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

Please complete
Corporation's Legal Name

CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)

9271340

Taxation Year End

2004/12/31

CT23 Schedule A

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DOLLARS ONLY

Corporate Minimum Tax - Schedule A:

Calculation of CMT Base

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + [2100] 1,978,508 D

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes - - - + [2101] D
Provision for deferred income taxes (credits) / benefit of future income taxes - - - + [2102] D
Equity income from corporations - - - - - + [2103] D
Share of partnership(s)/joint venture(s) income - - - - - + [2104] D
Dividends received/receivable deductible under fed.s.112 - - - - - + [2105] D
Dividends received/receivable deductible under fed.s.113 - - - - - + [2106] D
Dividends received/receivable deductible under fed.s.83(2) - - - - - + [2107] D
Federal Part VI.1 tax paid on dividends declared and paid,
under fed.s.191.1(1) - - - - - D X 9/3 - + [2108] D

Subtotal - - - - - = D Y [2109] D

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current incomes taxes - - - - - + [2110] 782,076 D
Provision for deferred income taxes (debits) / cost of future incomes taxes - - - + [2111] 44,970 D
Equity losses from corporations - - - - - + [2112] D
Share of partnership(s)/joint venture(s) losses - - - - - + [2113] D
Dividends that have been deducted to arrive at net income per Financial Statements.
s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - - - + [2114] D

Subtotal - - - - - = 827,046 D Y + [2115] 827,046 D

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + [2116] D or - [2117] D
** Fed. s.85.1 - - - - - + [2118] D or - [2119] D
** Fed. s.97 - - - - - + [2120] D or - [2121] D
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + [2122] D or - [2123] D
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + [2124] D or - [2125] D
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years - - - - - + [2126] D or - [2127] D
Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - - - - - - [2150] D

Subtotal (Additions) - - - - - = D Y + [2128] D

Subtotal (Subtractions) - - - - - = D Y - [2129] D

** Other adjustments - - - - - + [2130] D

Subtotal ± [2100] - [2109] + [2115] + [2128] - [2129] ± [2130] = [2131] 2,805,554 D

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - + [2132] D

Adjusted net income (loss)

(if loss, transfer to [2202] in **Schedule B: Continuity of CMT Losses Carried Forward, Page 19.**) = [2133] 2,805,554 D

Deduct * CMT losses: pre-1994 Loss - - - - - + From [2210] D

* CMT losses: other eligible losses - - - - - + From [2211] D

= D Y - [2134] D

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = [2135] 2,805,554 D

Transfer to CMT Base, Page 8

Schedule F:
Summary of Co-operative Education Tax Credit Claimed

CT23 Schedules F & G
Page 21 of 24

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements and leading-edge technology work placements. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2001 taxation year end, hires an eligible student from September 1, 2001 until April 30, 2002, this would be

Qualifying work placements



DOLLARS ONLY

considered 2 work placements. The first work placement is September 1, 2001 to December 31, 2001 and would be claimed in the 2001 taxation year. The second placement is January 1, 2002 to April 30, 2002 and must be claimed in the 2002 taxation year.

Name of University / College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates year month day	Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. \$1,000 per work placement)
NIAGARA COLLEGE	BASSI	504978263	From 2004/05/01	5750	5776
BUS ADMIN-HR	CATHY		To 2004/12/31	14,007	1,000
			From	5751	5777
			To		
			From	5752	5778
			To		
				5774	5798
Note: Enter corporation's salaries & wages paid in the preceding taxation year <u>A</u> \$ 5,000,000 Totals				14,007	1,000

If insufficient space, attach schedule

If A is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%.

Transfer to 192 Page 7 of the Tax Return

If A is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05(5,000,000 - \$400,000) / \$200,000]

Indicate rate used: 10.0 % * Credit claimed equals ECP multiplied by rate

From A

Schedule G: Summary of Graduate Transitions Tax Credit Claimed

Complete a separate entry for each graduate, that is unrelated to the employer, that has worked full-time for a minimum of a six month period. This credit applies to new hires for a maximum credit of \$4,000 each and may only be claimed once.

preceding taxation year was \$700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 2001 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2002 taxation year. The credit claimed is the lesser of 10% of salary for the maximum of 12 months of employment (10% X \$3,500 X 12 = \$4,200) or \$4,000.

Example: A taxpayer, with a December 31, 2001 taxation year end, hires an otherwise eligible graduate on June 1, 2001 who is still employed on December 31, 2002 at a salary of \$3,500 per month. The salaries and wages in the taxpayer's

Qualifying Employment

Name of University / College and Date Program Completed	Name of Graduate	Social Insurance No. of Graduate	Employment Period year month day	Qualified Eligible Expenditures (QEE)	*Credit Claimed (See notes Below) (max. \$4,000 per graduate)
			From	6551	6576
			To		
			From	6552	6577
			To		
			From	6553	6578
			To		
				6574	6598
Note: Enter corporation's salaries & wages paid in the preceding taxation year <u>A</u> \$ Totals					

If insufficient space, attach schedule

If A is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%.

Transfer to 195 Page 7 of the Tax Return

If A is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05(A - \$400,000) / \$200,000]

Indicate rate used: 15.00 % * Credit claimed equals QEE multiplied by rate.

From A

Total Number of Graduates - - - - -

= 6596

Transfer to 194 Page 7 of the Tax Return



Ministry of Finance

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

**Ontario Charitable Donations and Gifts
Schedule 2 page 1 of 3**

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

D For use by a corporation to claim any of the following:

- Charitable donations;
- Gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations;
- Gifts to Canada or a province;
- Gifts of certified cultural property; or
- Gifts of certified ecologically sensitive land.

D The donations and gifts are eligible for a five year carry-forward.**D Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsection 87(1) and 88(1) of the federal *Income Tax Act* (Canada).****D File one completed copy of this schedule with your CT23.****Part 1 - Charitable Donations**

Charitable donations at end of preceding taxation year	+		A
Deduct: Donations expired after 5 taxation years	-		B
Charitable donations at beginning of taxation year	=		C
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	+		D
Total current year charitable donations made	+	410	E
Subtotal D + E	=	410	Y
Total donations available C + F	= +	410	F
Deduct: Amount applied against taxable income (amount T)	-	410	G
Charitable donations closing balance	=		H

Part 2 - Maximum Deduction Calculation for Donations

Ontario net income for tax purposes multiplied by 75% = 1,453,001 I

Note: For credit unions the Ontario net income for tax purposes is the amount before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Ontario taxable capital gains arising in respect of gifts of capital property	+		J
Ontario taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01) ITA	+		K

Add the lesser of:

1. The amount of the recapture of capital cost allowance in respect of charitable gifts L

2. **The lesser of:**

2a. Proceeds of dispositions less outlays and expenses

2b. The capital cost

The lesser of M and N

The lesser of L and O

Subtotal J + K + P

25% X Q =

Maximum deduction allowable I + R = 1,453,001 S

Claim for charitable donations (not exceeding the lesser of G from Part 1, S and net income for tax purposes) = 410 T

Enter in 1 of the CT23

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Part 3 - Gifts to Her Majesty in right of Ontario

For use by a corporation claiming gifts to Her Majesty in right of Ontario, to Ontario Crown Agencies, or to Ontario Crown Foundations.

Gifts to Ontario Crown Agency or Ontario Crown Foundation at the end of the preceding taxation year	+	
Deduct: Gifts expired after 5 years	-	
Gifts to Ontario Crown Agency or Ontario Crown Foundation at the beginning of the taxation year	=	
Add: Gifts transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts	+	
Subtotal	=	
Deduct: Amount applied against taxable income <input type="text" value="2"/> of the CT23	-	
Gifts to Ontario Crown Agency or Ontario Crown Foundation closing balance	=	

Foundation Name	Date of Donation	Amount \$
Total gifts to Her Majesty in right of Ontario		=

Part 4 - Maximum Deduction Calculation for Gifts to Her Majesty in Right of Ontario

Deduction is the lesser of:

1. Ontario Net Income before deductions of gifts after deducting charitable donations and gifts to Her Majesty in right of Canada or a province other than Ontario 1,936,924 U

2. Lesser of:

2a. Ontario Net Income for the taxation year 1,937,334 V

2b. Gifts made in the taxation year or any of the five preceding taxation years to Her Majesty in Right of Ontario, an Ontario Crown Agency or an Ontario Crown Foundation

The lesser of V and W W

Maximum deduction allowable the lesser of U and X X

Transfer to of the CT23

Part 5 - Gifts to Canada or province other than Ontario

Gifts to Canada or a province other than Ontario at the end of the preceding year	+	
Deduct: Gifts to Canada or a province other than Ontario expired after five taxation years	-	
Gifts to Canada or a province other than Ontario at the beginning of the taxation year	=	
Add: Gifts to Canada or a province other than Ontario transferred on amalgamation or wind-up of a subsidiary	+	
Total current year Gifts to Canada or a province other than Ontario (Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date).	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts to Canada or a province other than Ontario closing balance	=	

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Part 6 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	+	
Deduct: Gifts of certified cultural property expired after five years	-	
Gifts of certified cultural property at the beginning of the taxation year	=	
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified cultural property	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified cultural property closing balance	=	

Part 7 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	+	
Deduct: Gifts of certified ecologically sensitive land expired after five years	-	
Gifts of certified ecologically sensitive land at the beginning of the taxation year	=	
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified ecologically sensitive land	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified ecologically sensitive land closing balance	=	

Part 8 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Her Majesty in right of Ontario	Gifts to Canada or a province other than Ontario	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
2004/12/31					
Totals					

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Part 9 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31				<NIL>	
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31		410	410		<NIL>
Total		410	410		<NIL>

Part 10 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Part 11 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Part 12 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

Part 13 - Carry forwards of Gifts to Her Majesty in right of Ontario

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
1999/12/31					
2000/12/31					<NIL>
2001/12/31					<NIL>
2002/12/31					<NIL>
2003/12/31					<NIL>
2004/12/31					<NIL>
Total					<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2004/12/31
---------------------------------------------------------	-------------------------------------------------------	---------------------------------

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

1 Class no.	Description	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 plus or minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Ontario capital cost allowance (column 8 multiplied by column 9, or a lower amount)	11 Ontario undepreciated capital cost at the end of the year (column 6 minus column 10)
1		39,357,353	5,470,883	1,203,068	159	46,031,145	2,735,362	43,295,783	4.0	1,731,831	44,299,314
2		2,843,103				2,843,103		2,843,103	6.0	170,586	2,672,517
8		816,673	266,044	41,575	1,600	1,122,692	132,222	990,470	20.0	198,094	924,598
10		1,365,802	1,154,249	17,642	12,054	2,525,639	571,098	1,954,541	30.0	586,362	1,939,277
12		142,831	816,916	61,371		1,021,118	408,458	612,660	100.	612,660	408,458
3				97,396		97,396		97,396	5.0	4,870	92,526
	Totals	44,525,762	7,708,092	1,421,052	13,813	53,641,093	3,847,140	49,793,953		3,304,403	50,336,690

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

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

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

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

Corporation's Legal Name CANADIAN NIAGARA POWER INC.		Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2004/12/31
---------------------------------------------------------	--	-------------------------------------------------------	---------------------------------

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9, or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 10)
reg	44,525,762	7,708,092		13,813	53,641,093	3,847,140	49,793,953				3,304,403	50,336,690
10.1												
13												
14												
24												
27												
29												
34												
Rental												
Totals											3,304,403	

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

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

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

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

Enter in boxes 650 650 650 on the CT23.



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Cumulative Eligible Capital Deduction
Schedule 10

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

For use by a corporation that has eligible capital property.

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

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

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 38,550 **A**

Add: Cost of eligible capital property acquired during the taxation year + 156,053 **B**
Amount transferred on amalgamation or wind-up of subsidiary + **C**
Other adjustments + **D**

Total of B + C + D = 156,053 x 3/4 = 117,040 **E**

Subtotal A + E = 155,590 **F**

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + **G**
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada) + **H**
Other adjustments + **I**

Total of G + H + I = x 3/4 = **J**

Ontario Cumulative eligible capital balance F - J = 155,590 **K**

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

Current year deduction 155,590 **K** x 7%* = 10,891 **L**

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter the amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = 144,699 **M**

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

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

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

Amount from line K above show as a positive amount. **N**

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 1

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA 2

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 3

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 4

Line 3 deduct line 4 5

Total lines 1 + 2 + 5 6

Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000 7

Deduct line 7 from line 6 **O**

N - O (cannot be negative) **P**

Amount on line 5 X 1/2 **Q**

P - Q **R**

Amount on line R X 2/3 **S**

Lesser of line N or line O **T**

Amount to be included in income S + T

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



Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	<NIL> A	<NIL> B	<NIL> C

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	222,247		228,659
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	222,247 D	<NIL> E	228,659 F

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.
The amount from **F** should be entered in **654** of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box **653** of the CT23

Enter in box **606** of the CT23

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
CANADIAN NIAGARA POWER INC.	9271340	2004/12/31	78,750,000	58,302,560
FOR A COMPLETE LIST OF ASSOCIATED C			500,000,000	100,000,000
REFER TO THE FEDERAL S23 OF PARENT,				
Totals			578,750,000	158,302,560

(Transfer to [249] of the CT23)

(Transfer to [250] of the CT23)



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9**ELECTRONIC FILING CERTIFICATE
FOR CORPORATIONS TAX RETURN CT23**

Please check (x) appropriate boxes if applicable

- ☒ First Year of Filing ☐ Final Taxation Year up to Dissolution ☐ Change of Control fed.s.249(4)
- ☐ Amended return ☐ Final Taxation Year before Amalgamation ☐ Date control was acquired:
- ☐ Taxation Year End has changed Approval by Rev. Can. required ☐ Floating Fiscal Year End
- ☐ Exempt From Filing ☒ Subject to CMT

Corporations Tax Account Number

9271340

Date of Incorporation

1999/02/17

Return for Taxation Year

Start 2004/01/01

End 2004/12/31

CRA Business Number

872498225RC0002

Jurisdiction Incorporated

ONTARIO

Change of Information? (x) Yes ☐ No ☒

Corporation's Legal Name: CANADIAN NIAGARA POWER INC.

Mailing Address: 1130 BERTIE STREET

FORT ERIE

ON L2A5Y2

Transmitter Details

Transmitter number C1012697

Transmitter name FORTISONTARIO INC

Name of person to contact: GLEN KING

Telephone Number (905) 871-0330

Facsimile number (905) 871-8818

Transmitter Address 1130 BERTIE STREET FORT ERIE ON L2A

Disk Reference Number ..

[250] Aggregate of Total Revenue: 158,302,560

[249] Aggregate of Total Assets: 578,750,000

[10] Taxable Income (Non-capital Loss): 1,936,924

[950] Total Tax Payable: 439,660

[960] Payments 451,292

[990] Enclosed:

Apply to Year:

Apply amount:

[975] Refund: 11,632 Yes ☒ No ☐

If Yes, Due To:

Loss Carryback Yes ☐ No ☒

Overpayment Yes ☒ No ☐

Refundable Tax Credit Yes ☐ No ☒

Certification

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

Name KING GLEN

Title CHIEF FINANCIAL OFFI

Full Residence:

Address 1130 BERTIE STREET

City FORT ERIE

Province ON Country CA

Postal Code L2A5Y2

2005/05/16 (905) 871-0330

Signature

Date

Phone #

Ministry
Use OnlyReturn
I.D. #

87249822520050503161315000000

CANTAX T2, version 04.2.307.126

Approval Code: 051H

PAYMENT ADVICE

Corporations Tax Account Number 9271340

Date of Incorporation 1999/02/17

Name CANADIAN NIAGARA POWER INC.

Enter the amount of payment and indicate taxation year

Taxation Year End

Payment Amount

2004/12/31

\$

Total Payment

\$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send To: Ontario Ministry of Finance

Corporations Tax Branch

P.O. Box 642

33 King Street West

Oshawa, ON, L1H 8T1

Incomplete Information will result in a delay processing an assessment.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2004	12	31

Comparative Tax Summary

	A Current Year 2004	B Previous Year 2003
Taxable Income:		
Net income from financial statements or T2S(1)	1,937,334	4,215,205
Less: Donations and gifts to the crown	410	1,028
Deductible taxable dividends		
Part VI.1 tax		
Other		688,576
Taxable income	1,936,924	3,525,601
Addition to taxable income for foreign tax deductions		
Adjusted taxable income	1,936,924	3,525,601
Federal Tax Payable:		
Tax on taxable income at 38%	736,031	1,339,728
Add: Corporate surtax	21,694	39,487
Refundable tax on investment income		
Less: Small business deduction		
Federal tax abatement	193,692	352,560
Manufacturing and processing deduction		
Foreign non-business tax credit		
Foreign business income tax credit		
Federal political contribution credit		
Investment tax credit		
Part I.3 tax credit		
Other deductions and credits	135,585	176,280
Subtotal	329,277	528,840
Part I tax payable	428,448	850,375
Refundable portion of part I tax		
Part I.3 tax on large corporations	103,813	88,005
Part IV tax on taxable dividends		
Other taxes payable		
Subtotal	532,261	938,380
Add: Provincial (territorial) taxes less credits		
Subtotal	532,261	938,380
Less: Instalments	958,380	938,380
Dividend refund		
Investment tax credit & other refunds		
Subtotal	958,380	938,380
Federal balance owing or refundable	-426,119	0
Provincial Tax Payable:		
Ontario income tax (net of credits)	270,169	309,561
Ontario capital tax	169,491	153,500
Ontario corporate minimum tax		
Ontario premium tax		
Manitoba capital tax		
Saskatchewan capital tax		
Alberta income tax		
British Columbia capital tax		
Subtotal	439,660	463,061
Less: Instalments paid to provinces	451,292	463,061
Total provincial tax owing or refundable	-11,632	0
Summary:		
Total federal tax owing or refundable	-426,119	0
Total provincial tax owing or refundable	-11,632	0
Total tax owing or refundable	-437,751	

WARNINGS

T2 - The corporation's final tax payment for the year is due no later than two months after the corporation's year-end.

S8 - Certain class 12 additions (eg. computer software) are subject to the half-year rule. If applicable, override the CCA rate to equal 50%

CT23 - The program assumes the MCBS Annual return is required. If not an 'Ontario Corporation' or a foreign corporation licensed under the 'Extra-Provincial Corporations Act' to do business in Ontario then change the default to No.

CT23 - Ontario retail sales tax account number missing.

GIFI DIAGNOSTICS

THE FOLLOWING FORMS HAVE AMOUNTS WHICH ARE OVERRIDDEN

S8

ONT-S8

ONT-S8

CT23-C-10

T2 RSI DIAGNOSTICS - (should be reviewed before printing the RSI)

T2 RSI DIAGNOSTICS - (must be cleared before printing the RSI)

DFILE WARNINGS - (should be reviewed before building the DFILE)

CT23 - Corporation is subject to the Ontario Corporate Minimum Tax. The CT23 must be filed electronically.

DFILE ERRORS - (must be cleared before building the DFILE)

Status: Build

FILING INSTRUCTIONS

Mail the completed CT23 return to the address below.

Please note that T2 facsimile forms no longer have to be filed with the Ontario return for taxation years that end after 2000.

Ontario Ministry of Finance

Corporation Tax Branch

P.O. Box 620

33 King Street West

Oshawa, Ontario L1H 8E9

ATTACHMENTS

ATTACHMENTS TO THE CT23 RETURN

PLEASE SIGN THE FOLLOWING FORMS WHERE REQUIRED

T2 RSI (#200) page 5 of 5.

RC59 - Business Consent Form

CT23 - Ontario Corporations Tax and Annual Return (or CT23-2 EFF Declaration)

CT23-CERT - CT-23 Certification Form Diskette Filing

Authorization letters

Name of Corporation CANADIAN NIAGARA POWER INC.	Business Number 872498225 RC 0002	Taxation Year End 2004/12/31
----------------------------------------------------	--------------------------------------	------------------------------------

Corporate Tax Summary

Net income from financial statements or T2S(1)		1,937,334
Less: Donations and gifts to the crown		410
Deductible taxable dividends		
Part VI.1 tax		
Other		
Taxable income		1,936,924
Addition to taxable for foreign tax deductions		
Adjusted taxable income		1,936,924
Tax on taxable income of 1,936,924 at 38%		736,031
Add: Corporate surtax		21,694
Refundable tax on investment income		
Less: Small business deduction		
Federal tax abatement	193,692	
Manufacturing and processing deduction		
Foreign non-business tax credit		
Foreign business income tax credit		
Federal political contribution credit		
Investment tax credit		
Part I.3 tax credit		
Other deductions and credits	135,585	329,277
Part I tax payable		428,448
Refundable portion of part I tax		
Part I.3 tax on large corporations		103,813
Part IV tax on taxable dividends		
Other taxes payable		
Subtotal		532,261
Add: Provincial (territorial) taxes less credits		
Subtotal		532,261
Less: Instalments	958,380	
Dividend refund		
Investment tax credit & other refunds		958,380
Federal balance owing or refundable		-426,119
Provincial Capital Tax for Nova Scotia and New Brunswick		
Ontario income tax (net of credits)	270,169	
Ontario capital tax	169,491	
Ontario corporate minimum tax		
Ontario premium tax		
Manitoba capital tax		
Saskatchewan capital tax		
Alberta income tax		
British Columbia capital tax		439,660
Less: Instalments paid to provinces		451,292
Total provincial tax owing or refundable		-11,632
Total federal tax owing or refundable		-426,119
Total provincial tax owing or refundable		-11,632
Total tax owing or refundable		-437,751

2005 CNPI CT23 PROVINCIAL TAX RETURN



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E92004/
2005CT23 Corporations Tax and
Annual ReturnFor taxation years commencing
after December 31, 2002

Corporations Tax Act - Ministry of Finance (MOF)

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

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

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

Ministry Use

MCBS Annual Return Required? (Not required if already filed or
Annual Return exempt. Refer to Guide)

X Yes

No

Page 1 of 20

Corporation's Legal Name (including punctuation)

CANADIAN NIAGARA POWER INC.

Mailing Address

1130 BERTIE STREET

FORT ERIE

ON

L2A5Y2

CA

Has the mailing address changed
since last filed CT23 Return?

Yes

Date of Change

Registered/Head Office Address

1130 BERTIE STREET

FORT ERIE

ON

L2A5Y2

CA

Location of Books and Records

1130 BERTIE STREET

FORT ERIE

ON

L2A5Y2

CA

Name of person to contact regarding this CT23 Return

KING GLEN

Telephone No.

(905) 871-0350

Fax No.

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

(MCBS)

Former Corporation Name (Extra-Provincial Corporations only)

X Not Applicable

(MCBS)

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

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

No. of Schedules(s)

Y X No
Change

Ontario Corporations Tax Account No. (MOF)

9271340

This Return covers the Taxation Year

Start

year month day
2005/01/01

End

year month day
2005/12/31

Date of Incorporation or Amalgamation

year month day
2004/01/01Ontario
Corporation No.
(MCBS)

1341103

Canada Customs and Revenue Agency
Business No.

If applicable, enter

872498225 RC 0002

Jurisdiction
Incorporated

ONTARIO

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

Commenced

year month day

Ceased

year month day

X Not Applicable

Preferred Language / Langue de préférence

X

English
anglaisFrench
françaisMinistry
Use

Certification (MCBS)

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

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

GLEN KING

Title

D

O

P

Director

X

Officer

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

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

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

<div>1</div>	1	Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))		
	2	Other Private		
	3	Public	Share Capital with full voting rights owned by Canadian Residents	(nearest percent) 100 D %
	4	Non-share Capital		
	5	<input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/> Controlled by public		

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

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

If applicable, enter

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

If applicable, enter

Specify major business activity

ELECTRONIC BUSINESS

Please check (x) box(es) if applicable

First Year of Filing

Final Taxation Year up to Dissolution (wind-up)
(Note: For discontinued businesses, see Guide.)

Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario

Amended Return

Final Taxation Year before Amalgamation

Acquisition of Control fed s.249(4)

Taxation Year End has changed - Canada Customs
and Revenue Agency approval required

Floating Fiscal Year End

Date Control was acquired

year month day

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

Income Tax

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

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	From	690	-91,038	D
Subtract: Charitable donations	- - - - -		1		D
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -		2		D
Subtract: Taxable dividends deductible, per federal Schedule 3	- - - - -		3		D
Subtract: Ontario political contributions (Attach schedule 2A)(Int.B.3002R)	- - - - -		4		D
Subtract: Federal Part VI.1 tax	- - - - -		5		D
Subtract: Prior years' losses applied -					
Non-capital losses	- - - - -	From	704		D
Net capital losses	From 715 (page 16)] x inclusion rate 50.000000% =		714		D
Farm losses	- - - - -	From	724		D
Restricted farm losses	- - - - -	From	734		D
Limited partnership losses	- - - - -	From	754		D
Taxable Income (Non-capital loss)	- - - - -	=	10	-91,038	D
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+	11		D
Adjusted Taxable Income	10 + 11 (if 10 is negative, enter 11)	=	20		D

Taxable Income

From 10 (or 20 if applicable)	Ontario Allocation	Number of Days in Taxation Year	
		Days after Dec. 31, 2002 and before Jan 1, 2004	Total Days
x 30	100.0000	% x 12.5% x 33	÷ 73 365 = + 29 D
x 30	100.0000	% x 14.0% x 34	÷ 73 365 = + 32 D
Income Tax Payable (before deduction of tax credits)	29 + 32	=	40 D

Incentive Deduction for Small Business Corporations (IDSBC) (s.41) (If this section is not completed, IDSBC will be denied.)

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

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	D
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	- - - - -	51	D
Add: Losses of other years deducted for federal purposes (fed.s.111)	- - - - -	52	D
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- - - - -	53	D
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	D

Ontario Business Limit Calculation

320,000 x	Days after Dec 31, 2002 and before Jan 1, 2004	31	÷ ** 365	= +	46	D
400,000 x	Days after Dec 31, 2003	34	365 ÷ ** 365	= +	47	400,000 D
Business Limit for Ontario purposes	46 + 47	=	44	400,000 x	48	100.0000 % = 45 400,000 D
Income eligible for the IDSBC	- - - - -	From	30	100.0000 % x	56	D = 60 D
*** Ontario Allocation Least of 50 54 or 45						

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

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

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

continued on Page 5

Corporation's Legal Name **CANADIAN NIAGARA POWER INC.** Ontario Corporations Tax Account No. (MOF) **9271340** Taxation Year End **2005/12/31**

DOLLARS ONLY

Income Tax continued from Page 4**Number of Days in Taxation Year****Calculation of IDSBC Rate**

	Days after Dec 31, 2002 and before Jan 1, 2004	Total Days		
7.0% X	31	365	= +	89
	Days after Dec 31, 2003	Total Days		
8.5% X	34	365	= +	90

IDSBC Rate for Taxation Year $\frac{89}{90} = 78.8889\%$

Claim From **60** X From **78.8889%** = **70**

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

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

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

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

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

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

Name of associated corporation (Canadian & foreign)
(If insufficient space, attach schedule)

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

Taxation Year End

*Taxable Income
(if loss, enter nil)

+ **82** **D**
+ **83** **D**
+ **84** **D**
= **85** **D**

Aggregate Taxable Income **80** + **82** + **83** + **84**, etc

Number of Days in Taxation Year

320,000	X	Days after Dec 31, 2002 and before Jan 1, 2004	Total Days		
		31	365	= +	115
400,000	X	Days after Dec 31, 2003	Total Days		
		34	365	= +	116
		115 + 116		=	231

(If negative, enter nil) **400,000** **D** Y **400,000** **D**

Number of Days in Taxation Year**Calculation of Specified Rate for Surtax**

4.667% X $\frac{38}{365} \div \frac{73}{365} = + 97.46670$

From **86** **D** X From **97.46670%** = **87** **D**
From **87** **D** X From **60** **D** = **88** **D**

Surtax Lesser of **70** or **88** = **100**

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

continued on Page 6

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
---------------------------------------------------------	-------------------------------------------------------	---------------------------------

Income Tax *continued from Page 5*

DOLLARS ONLY

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17) - - - - - 110**Manufacturing and Processing Profits Credit (M&P) (s.43)****Applies** to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

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

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

Eligible Canadian Profits - - - - - + 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 ÷ From 30 100.0000 % ÷ From 78 8.5000 % = -21

*Ontario Allocation

Lesser of 56 or 121 - - - - - + 122

120 - 56 + 122 - - - - - = 130

Taxable Income - - - - - + From 10

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - + From 122

Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - - - - - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141

10 - 56 + 122 - 140 - 141 - - - - - = 142

Claim

		Number of Days in Taxation Year			
		Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days		
143 Lesser of 130 or 142	D X From 30 100.0000 % X 1.5% X	33	73	365	= + 154
*Ontario Allocation					
143 Lesser of 130 or 142	D X From 30 100.0000 % X 2.0% X	34	73	365	= + 156
*Ontario Allocation					
M&P claim for taxation year	154 + 156	= 160			

Note:** Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).**Manufacturing and Processing Profits Credit for Electrical Generating Corporations** - - - - - 161**Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity** - - - - - 162**Credit for Foreign Taxes Paid (s.40)*Applies** if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B.3001R)(Attach schedule). 170**Credit for Investment in Small Business Development Corporations (SBDC)****Applies** if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 Credit Claimed 180

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190*continued on Page 7*

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
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Income Tax *continued from Page 6*

DOLLARS ONLY

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

Eligible Credit From 5620 OITC Claim Form (Attach original Claim Form) - - - - - + 191 **D**

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

Eligible Credit From 5798 CT23 Schedule 113 (Attach Schedule 113) - - - - - + 192 2,000 **D**

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

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

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

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

Applies to employment of eligible unemployed post secondary graduate, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.

Eligible Credit From 6598 CT23 Schedule 115 (Attach Schedule 115) - - - - - + 195 **D**

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

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

Eligible Credit From 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility) - - - - - + 196 **D**

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

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

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

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

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

Eligible Credit From 7100 OBRITC Claim Form (Attach original Claim Form) - - - - - + 198 **D**

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

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

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

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

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

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

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

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

Eligible Credit From 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility) - - - - - + 201 **D**

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

Applies to employment of eligible apprentices.

Eligible Credit From 5898 CT23 Schedule 114 (Attach Schedule 14) - - - - - + 203 5,000 **D**

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 = 220 7,000 **D**

Specified Tax Credits Applied to reduce Income Tax - - - - - = 225 **D**

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital loss (amount cannot be negative) - - - = 230 **D**

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
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DOLLARS ONLY

Corporate Minimum Tax (CMT)

Total Assets of the corporation	- - - - -	+ 240	83,802,000	D
Total Revenue of the corporation	- - - - -	+ 241	61,854,000	D

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

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

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
See attached schedule			+ 243 1000000,000	+ 244 500000,000
			+ 245	+ 246
			+ 247	+ 248
Aggregate Total Assets	240 + 243 + 245 + 247, etc	= 249	1083802,000	
Aggregate Total Revenue	241 + 244 + 246 + 248, etc	= 250		561,854,000

Determination of Applicability

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

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

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

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

Calculation: CMT (Attach Schedule 101.)

Gross CMT Payable	- - - - -	CMT Base From 2136 808,192	X From 30 100.0000	% X 4% =	276 32,328
		if negative, enter zero	Ontario Allocation		
Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)	- - - - -				277
Subtract: Income Tax	- - - - -			From 190	
Net CMT Payable (if negative, enter Nil on Page 17.)	- - - - -			= 280	32,328

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

If 280 is less than zero and you have a CMT credit carryover, complete A & B below.

If 280 is greater than or equal to zero, transfer 230 to Page 17 and transfer 280 to Page 17, and to Part 4 of

Schedule 101: Continuity of CMT Credit Carryovers.

CMT Credit Carryover available from Schedule 101	- - - - -	From 2333	32,328	D
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Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)	- - - - -	+ From 190		D
Gross CMT Payable	- - - - -	+ From 276	32,328	D
Subtract: Foreign Tax Credit for CMT purposes	- - - - -	- From 277		D
If 276 - 277 is negative, enter NIL in 290	=		32,328	D Y
Income Tax eligible for CMT Credit	- - - - -	= 300	-32,328	D
B. Income Tax (after deduction of specified credits)	- - - - -	+ From 230		D
Subtract: CMT credit used to reduce income taxes	- - - - -	- 310		D
Income Tax	- - - - -	= 320		D

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

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

Transfer to page 17

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
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DOLLARS ONLY

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

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

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

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

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

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

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

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

Paid-Up Capital

Paid-up capital stock (Int.B.3012R and 3015R)	- - - - -	+	350	23,900,000	D
Retained earnings (if deficit, deduct)(Int.B. 3012R)	- - - - -	+	351	6,172,164	D
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	- - - - -	+	352		D
Loans and advances (Attach schedule)(Int.B.3013R)	- - - - -	+	353	30,577,928	D
Bank loans (Int.B.3013R)	- - - - -	+	354		D
Bankers acceptances (Int.B.3013R)	- - - - -	+	355		D
Bonds and debentures payable (Int.B.3013R)	- - - - -	+	356		D
Mortgages payable (Int.B.3013R)	- - - - -	+	357		D
Lien notes payable (Int.B.3013R)	- - - - -	+	358		D
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)(Int.B.3013R)	- - - - -	+	359	2,680,504	D
Contingent, investment, inventory and similar reserves (Int.B.3012R)	- - - - -	+	360	2,129,300	D
Other reserves not allowed as deductions for income tax purposes (Attach schedule)(Int.B.3012R)	- - - - -	+	361		D
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))(Int.B.3017R)	- - - - -	+	362		D
Subtotal	- - - - -	=	370	65,459,896	D
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)(Int.B.3012R)	- - - - -	-	371	8,061,877	D
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes(Int.B.3015R)	- - - - -	-	372		D
Total Paid-up Capital	- - - - -	=	380	57,398,019	D
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))(Int.B.3015R)	- - - - -	-	381		D
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	- - - - -	-	382		D
Net Paid-up Capital	- - - - -	=	390	57,398,019	D

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

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

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

continued on Page 10

DOLLARS ONLY

Capital Tax *continued from Page 9*

Total Assets (Int.B.3015R)

Total Assets per balance sheet	- - - - -	+	420	83,802,000	D
Mortgages or other liabilities deducted from assets	- - - - -	+	421		D
Share of partnership(s)/joint venture(s) total assets (Attach schedule)	- - - - -	+	422		D
Subtract: Investment in partnership(s)/joint venture(s)	- - - - -	-	423		D
Total Assets as adjusted	- - - - -	=	430	83,802,000	D
Amounts in 360 and 361 (if deducted from assets)	- - - - -	+	440		D
Subtract: Amounts in 371, 372 and 381	- - - - -	-	441	8,061,877	D
Subtract: Appraisal surplus if booked	- - - - -	-	442		D
Add or Subtract: Other adjustments (specify on an attached schedule)	- - - - -	+	443		D
Total Assets	- - - - -	=	450	75,740,123	D

Investment Allowance (410 ÷ 450) X 390 **Not to exceed** 410 = 460 D

Taxable Capital 390 - 460 = 470 57,398,019 D

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) - 480 61,854,000 D

Total Assets (as adjusted) - - - - - From 430 83,802,000 D

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002

Financial Institutions use calculations on page 13.

Important:

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

Section A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B.3018). Enter NIL in 550 on page 12 and complete the return from that point.

Section B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

Days before Jan. 1, 2005											Total Days				
5,000,000	X	35	÷	73	365	= +	500								
Days after Dec 31, 2004 and before Jan. 1, 2006											Total Days				
7,500,000	X	36	365	÷	73	365	= +	501	7,500,000						
Days after Dec 31, 2005 and before Jan. 1, 2007											Total Days				
10,000,000	X	37	÷	73	365	= +	502								
Capital Deduction (TCD)											500 + 501 + 502	=	503	7,500,000	

Section C

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

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

+	From	470	57,398,019	D
-	From	503		D
=		471		D
	X	From	30	100.0000
			% X 0.3% X	555 365
			= +	523
Ontario Allocation				
365 (366 if leap year)				
If floating taxation year, refer to Guide				
Transfer to 543 on page 12 and complete the return from that point				

continued on Page 11

Capital Tax Calculation *continued from page 10*

SECTION D

This section applies ONLY to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either ☐ 509 or ☐ 524 and complete this section before you can calculate your Capital Tax Calculation under either Section E or Section F.

D1. ☐ 509 ☒ (X if applicable) All corporations that you are associated with do **not** have a permanent establishment in Canada.

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

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

D2. ☒ X ☐ 524 ☒ (X if applicable) One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

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

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

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

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

Taxable Capital From ☐ 470 on page 10 - - - - - + From ☐ 470 57,398,019 ☒ D

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

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

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

Taxation Year End

Taxable Capital

See schedule CT21

+ ☐ 531 194,095,556 ☒ D
+ ☐ 532 ☒ D
+ ☐ 533 ☒ D
Aggregate Taxable Capital ☐ 470 + ☐ 531 + ☐ 532 + ☐ 533, etc - - - - - = ☐ 540 251,493,575 ☒ D

E

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

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

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

From ☐ 470 57,398,019 ☒ D ÷ From ☐ 540 251,493,575 ☒ D x From ☐ 503 7,500,000 ☒ D = ☐ 541 1,711,714 ☒ D
Transfer to ☐ 542 in Section E on page 12.

Ss.69(2.1) Election filed

☐ 591 ☒ (X if applicable)

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

continued on Page 12

Capital Tax Calculation *continued from Page 11*

Section E

This section applies if the corporation **is** a member of an associated group and/or partnership whose total **aggregate** Taxable Capital

540 on page 11 exceeds the TCD 503 on page 10.

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

+	From	470	57,398,019	D						Total Capital Tax for the taxation year							
-		542	1,711,714	D													
=		471	55,686,305	D													
					x	From	30	100.0000	%	x	0.3%	x	555 365	= +	523	167,059	D
					Ontario Allocation					Days in taxation year							
										365 (366 if leap year)							
										Transfer to		543 and complete the return from that point					

Section F

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From	470	57,398,019	D	X	From	30	100.0000	%	X	0.3% - - - - - = +	561	D			
Ontario Allocation															
- Capital tax deduction from		995	relating to your corporation's Capital Tax deduction, on Schedule 591										- From	995	D
												=	562	D	
Capital tax-			562	D	X	555	365	Days in taxation year		=	563	D			
<div style="display: flex; justify-content: space-between;"> *365 (366 if leap year) Transfer to 543 and complete the return from that point </div>															

* If floating taxation year, refer to Guide.

Capital Tax	before application of specified credits	- - - - -	=	<u>543</u>	167,059	D
	Subtract: Specified Tax Credits applied to reduce capital tax payable (<i>Refer to Guide</i>)	- - - - -	-	<u>546</u>	7,000	D
Capital Tax	<u>543</u> - <u>546</u> (<i>amount cannot be negative</i>)	- - - - -	=	<u>550</u>	160,059	D

Transfer to page 17

continued on Page 13

Capital Tax continued from Page 12

Calculation of Capital Tax for Financial Institutions

1.1. Credit Unions Only

For taxation years commencing after May 4, 1999 enter NIL in 550 on page 12, and complete the return from that point.

1.2. Other than Credit Unions

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

565 X 0.6% X From 30 100.0000 % X 555 365 ÷ *365 = + 569
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 Ontario Allocation (366 if leap year)

570 X 571 % X From 30 100.0000 % X 555 365 ÷ *365 = + 574
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount Capital Tax Rate (Refer to Guide) Ontario Allocation (366 if leap year)

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

* If floating taxation year, refer to Guide.

2. Small Business Investment Tax Credit

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

Allowable Credit for Eligible Investments - - - - - 585
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes

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

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

(1) Uninsured Benefits Arrangements - - - - - 587 X 2% - - = 588
Applies to Ontario-related uninsured benefits arrangements

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

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

Premium Tax 588 - 589 - - - - - = 590
Transfer to Page 17

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 - - - - - + 600 -91,038 **D**
 Transfer to Page 15

Add:

Federal capital cost allowance - - - - -	+ 601	3,587,643	D
Federal cumulative eligible capital deduction - - - - -	+ 602	10,129	D
Ontario taxable capital gain - - - - -	+ 603		D
Federal non-allowable reserves. Balance beginning of year - - - - -	+ 604	1,007,079	D
Federal allowable reserves. Balance end of year - - - - -	+ 605		D
Ontario non-allowable reserves. Balance end of year - - - - -	+ 606	822,221	D
Ontario allowable reserves. Balance beginning of year - - - - -	+ 607	228,659	D
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+ 608		D
Federal resource allowance (Refer to Guide) - - - - -	+ 609		D
Federal depletion allowance - - - - -	+ 610		D
Federal foreign exploration and development expenses - - - - -	+ 611		D
Crown charges, royalties, rentals, etc. deducted for Federal purposes (Refer to Guide) - - - - -	+ 617		D
Management fees, rents, royalties and similar payments to non-arm's length non-residents E			

Number of Days in Taxation Year

612	D	X	$5_{12.5}$	X	33	÷	73	365	=	+	633	D
Days after Dec. 31 2002 and before Jan. 1, 2004 Total Days												
612	D	X	$5_{14.0}$	X	34	÷	73	365	=	+	634	D
Days after Dec. 31, 2003 Total Days												
Total add-back amount for Management fees, etc. 633 + 634 = DY + 613 D												

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161 - - - - -	+ 615		D
Add any negative amount in 473 from Ont. CT23 Schedule 161 - - - - -	+ 616		D
Federal allowable business investment loss - - - - -	+ 620		D
Total of other items not allowed by Ontario but allowed federally (Attach schedule) - - - - -	+ 614		D

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 5,655,731 **D** 640 5,655,731 **D**
 Transfer to Page 15

Deduct:

Ontario capital cost allowance(excludes amounts deducted under 675) - - - - -	+ 650	3,587,643	D
Ontario cumulative eligible capital deduction - - - - -	+ 651	10,129	D
Federal taxable capital gain - - - - -	+ 652		D
Ontario non-allowable reserves. Balance beginning of year - - - - -	+ 653	1,007,079	D
Ontario allowable reserves. Balance end of year - - - - -	+ 654		D
Federal non-allowable reserves. Balance end of year - - - - -	+ 655	822,221	D
Federal allowable reserves. Balance beginning of year - - - - -	+ 656	228,659	D
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) - - - - -	+ 657		D
Ontario depletion allowance - - - - -	+ 658		D
Ontario resource allowance (Refer to Guide) - - - - -	+ 659		D
Ontario current cost adjustment (Attach schedule) - - - - -	+ 661		D
CCA on assets used to generate electricity from natural gas, alternative or renewable resources - - - - -	+ 675		D
Subtotal of deductions for this page 650 to 659 + 661 + 675 - - - - -	= 681	5,655,731	D

Transfer to Page 15

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

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal Schedule 1	- - - - -	From +	[600]	-91,038	D
Total of Additions on Page 14	- - - - -	From =	[640]	5,655,731	D
Sub Total of deductions on page 14	- - - - -	From =	[681]	5,655,731	D

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up

(Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying intellectual property deducted in the current taxation year

ONTTI Gross-up deduction calculation:

From [662]	Gross-up of CCA	100	X	From [662]	=	[663]	D
	From [30]	100.0000					
	Ontario Allocation						

Workplace Child Care Tax Incentive (WCCT)

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

Qualifying expenditures: [665]	X 30%	X 100	=	[666]	D
	From [30]	100.0000			
	Ontario Allocation				

Workplace Accessibility Tax Incentive (WATI)

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

Qualifying expenditures: [667]	X 100%	X 100	=	[668]	D
	From [30]	100.0000			
	Ontario Allocation				

Number of Employees accommodated [669]

Ontario School Bus Safety Tax Incentive (OSBSTI)

(Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.)(Refer to Guide).

Qualifying expenditures: [670]	X 30%	X 100	=	[671]	D
	From [30]	100.0000			
	Ontario Allocation				

Educational Technology Tax Incentive (ETTI)

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

Qualifying expenditures: [672]	X 15%	X 100	=	[673]	D
	From [30]	100.0000			
	Ontario Allocation				

Ontario allowable business investment loss - - - - - + [678] D

Ontario Scientific Research Expenses claimed in year in [477]
from Ont. CT23 Schedule 161 - - - - - + [679] D

Amount added to income federally for an amount that was negative on federal
form T661, Line 454 or 455 (if filed after June 30, 2003) - - - - - + [677] D

Total of other deductions allowed by Ontario (Attach schedule) - - - - - + [664] D

Total of Deductions

[681] + [663] + [666] + [668] + [671] + [673] + [678] + [679] + [677] + [664] - - - - - = 5,655,731 D Y [680] 5,655,731 D

Net income (loss) for Ontario Purposes [600] + [640] - [680] - - - - - = [690] -91,038 D

Transfer to Page 4

Corporation's Legal Name
CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No. (MOF)
9271340

Taxation Year End
2005/12/31

CT23 Page 16 of 20

DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701 91,038	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703 91,038	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 17 91,038	716 (2) To Page 17	726 (2) To Page 17	736 (2) To Page 17	746	
Subtotal	707 91,038	717	727	737	747	757
Balance at End of Year	709 (8) <NIL>	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 1996/12/31	817 (9)	860 (9)		850	870
801 1997/12/31	818 (9)	861 (9)		851	871
802 1998/12/31	819 (9)	862 (9)		852	872
803 1999/12/31	820	830	840	853	873
804 2000/12/31	821	831	841	854	874
805 2001/12/31	822	832	842	855	875
806 2002/12/31	823	833	843	856	876
807 2003/12/31	824	834	844	857	877
808 2004/12/31	825	835	845	858	878
809 2005/12/31	826	836	846	859	879
Total	829 <NIL>	839 <NIL>	849 <NIL>	869 <NIL>	889

Notes:

- (1) Non-capital losses include allowable business investment losses, fed s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839
- (9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Corporation's Legal Name **CANADIAN NTAGARA POWER INC.** Ontario Corporations Tax Account No. (MOF) **9271340** Taxation Year End **2005/12/31**

DOLLARS ONLY

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

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

D If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

D Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

D Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance.**

D Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

D The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year,
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

D If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 91,038	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations's Tax Account No. (MOF)	Taxation Year Ending YYYY MM DD			
i) 3rd preceding 901 2002/12/31	911	921	931	941
ii) 2nd preceding 902 2003/12/31	912	922	932	942
iii) 1st preceding 903 2004/12/31	913 91,038	923	933	943
Total loss to be carried back	From 706 91,038	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax - - - - + From 230 or 320	
Corporate Minimum Tax - - - - + From 280	32,328
Capital Tax - - - - - + From 550	160,059
Premium Tax - - - - - + From 590	
Total Tax Payable - - - - - = 950	192,387
Subtract: Payments - - - - - - 960	463,200
Capital Gains Refund (s.48) - - - - - 965	
Qualifying Environmental Trust Tax Credit (Refer to Guide) - - - - - 985	
Specified Tax Credits (Refer to Guide) - - - - - 955	
Balance - - - - - = 970	-270,813
If payment due - - - - - Enclosed* 990	
If overpayment: Refund(Refer to Guide) = 975	270,813
year month day	
Apply to 980	
(Includes credit interest)	

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. (Refer to Guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

KING GLEN

Title

CHIEF FINANCIAL OFFICER

Full Residence Address

1130 BERTIE STREET

FORT ERIE

ON

L2A5Y2

CA

Signature

Date

30/06/2006

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Page 1 of 3

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2005/12/31

Part 1: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life Insurance corporations - Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + 2100 173,613 D

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes - - - + 2101 D
Provision for deferred income taxes (credits) / benefit of future income taxes + 2102 D
Equity income from corporations - - - - - + 2103 D
Share of partnership(s)/joint venture(s) income - - - - - + 2104 D
Dividends received/receivable deductible under fed.s.112 - - - - - + 2105 D
Dividends received/receivable deductible under fed.s.113 - - - - - + 2106 D
Dividends received/receivable deductible under fed.s.83(2) - - - - - + 2107 D
Dividends received/receivable deductible under fed.s.138(6) - - - - - + 2108 D
Federal Part VI.1 tax paid on dividends declared and paid,
under fed.s.191.1(1) D X 3 - - - + 2109 D

Subtotal - - - - - = D Y-2110 D

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current incomes taxes - - - - - + 2111 77,315 D
Provision for deferred income taxes (debits) / cost of future income taxes - - - + 2112 557,264 D
Equity losses from corporations - - - - - + 2113 D
Share of partnership(s)/joint venture(s) losses - - - - - + 2114 D
Dividends that have been deducted to arrive at net income per Financial Statements
s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - - - + 2115 D

Subtotal - - - - - = 634,579 D Y+2116 634,579 D

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed. s.85 - - - - - + 2117 D or - 2118 D
** Fed. s.85.1 - - - - - + 2119 D or - 2120 D
** Fed. s.97 - - - - - + 2121 D or - 2122 D
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + 2123 D or - 2124 D
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + 2125 D or - 2126 D
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years + 2127 D or - 2128 D
Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - - - - - - 2150 D

Subtotal (Additions) - - - - - = D Y + 2129 D

Subtotal (Subtractions) - - - - - = D Y-2130 D

** Other adjustments - - - - - + 2131 D

Subtotal + 2100 - 2110 + 2116 + 2129 - 2130 + 2131 - - - - - = 2132 808,192 D

** Share of partnership(s)/joint venture(s) adjusted net income/loss - - - - - + 2133 D

Adjusted net income (loss) (if loss, transfer to 2202 in Part 2: Continuity of CMT Losses Carried Forward.) = 2134 808,192 D

Deduct * CMT losses: pre-1994 Loss - - - - - + From 2210 D

* CMT losses: other eligible losses - - - - - + 2211 D

= D Y-2135 D

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this schedule.

CMT Base - - - - - = 2136 808,192 D

Transfer to CMT Base, Page 8 of the CT23 or Page 6 of the CT8

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2005/12/31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTE (1), (2) - - - - - + 2201 D

Add: Current year's losses - - - - - + 2202 D
Losses from predecessor corporations on amalgamation NOTE (3) - - - - - + 2203 D
Losses from predecessor corporations on wind-up NOTE (3) - - - - - + 2204 D
Amalgamation (X) 2205 Yes Wind-up (X) 2206 Yes

Subtotal - - - - - = D **Y+** 2207 D

Adjustments (attach schedule) - - - - - + 2208 D

CMT losses available 2201 + 2207 + 2208 - - - - - = 2209 D

Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income - - - - - + 2210 D
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4) - - - - - + 2211 D
Losses expired during the year - - - - - + 2212 D

Subtotal - - - - - = D **Y-** 2213 D

Balance at End of Year NOTE (5) 2209 - 2213 - - - - - = 2214 D

Notes:

- (1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 + 2290.

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
<small>2240</small>	1996/12/31	<small>2260</small>	<small>2280</small>
<small>2241</small>	1997/12/31	<small>2261</small>	<small>2281</small>
<small>2242</small>	1998/12/31	<small>2262</small>	<small>2282</small>
<small>2243</small>	1999/12/31	<small>2263</small>	<small>2283</small>
<small>2244</small>	2000/12/31	<small>2264</small>	<small>2284</small>
<small>2245</small>	2001/12/31	<small>2265</small>	<small>2285</small>
<small>2246</small>	2002/12/31	<small>2266</small>	<small>2286</small>
<small>2247</small>	2003/12/31	<small>2267</small>	<small>2287</small>
<small>2248</small>	2004/12/31	<small>2268</small>	<small>2288</small>
<small>2249</small>	2005/12/31	<small>2269</small>	<small>2289</small>
Totals		<small>2270</small>	<small>2290</small>

The sum of amounts 2270 + 2290 must
equal amount in 2214.

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Page 3 of 3

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2005/12/31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) - - - - - + [2301] _____ **D**

Add: Current year's CMT credit ([280] on page 8 of the CT23 or [347] on page 6 of the CT8. If negative, enter NIL) - - - + From [280] or [347] _____ **32,328 D**

Gross Special Additional Tax NOTE (2) [312] on page 5 of CT8.
(Life Insurance corporations only. Others enter NIL.) + From [312] _____ **D**

Subtract Income Tax
([190] on page 6 of the CT23 or page 4 of the CT8) - From [190] _____ **D**

Subtotal (If negative, enter NIL) - - - - - = _____ **D** [2305] _____ **D**

Current year's CMT credit (if negative, enter NIL) [280] or [347] - [2305] - - - - - = _____ **32,328 D** + [2310] _____ **32,328 D**

CMT Credit Carryovers from predecessor corporations NOTE (3) - - - - - + [2325] _____ **D**

Amalgamation (X) [2315] Yes Wind-up (X) [2320] Yes

Subtotal [2301] + [2310] + [2325] - - - - - = [2330] _____ **32,328 D**

Adjustments (Attach schedule) - - - - - + [2332] _____ **D**

CMT Credit Carryover available [2330] + [2332] - - - - - = [2333] _____ **32,328 D**
Transfer to Page 8 of the CT23 or Page 6 of the CT8

Subtract: CMT Credit utilized during the year to reduce income tax
([310] on page 8 of the CT23 or [351] on page 6 of the CT8.) + From [310] or [351] _____ **D**

CMT Credit expired during the year - - - - - + [2334] _____ **D**

Subtotal - - - - - = _____ **D** - [2335] _____ **D**

Balance at End of Year NOTE (4) [2333] - [2335] - - - - - = [2336] _____ **32,328 D**

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).
- (3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (4) Amount in [2336] must equal sum of [2370] + [2390] .

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) YYYY MM DD	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
[2340]	1996/12/31	[2360]	[2380]
[2341]	1997/12/31	[2361]	[2381]
[2342]	1998/12/31	[2362]	[2382]
[2343]	1999/12/31	[2363]	[2383]
[2344]	2000/12/31	[2364]	[2384]
[2345]	2001/12/31	[2365]	[2385]
[2346]	2002/12/31	[2366]	[2386]
[2347]	2003/12/31	[2367]	[2387]
[2348]	2004/12/31	[2368]	[2388]
[2349]	2005/12/31	[2369] 32,328	[2389]
Totals		[2370] 32,328	[2390]

The sum of amounts [2370] + [2390]
must equal amount in [2336] .

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
---------------------------------------------------------	-------------------------------------------------------	---------------------------------

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes 2 No **X**

1 Class no.	Description	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Ontario capital cost allowance (column 8 multiplied by column 9, or a lower amount)	11 Ontario undepreciated capital cost at the end of the year (column 6 minus column 10)
1		94,282,314	521,606			45,340,946	260,863	44,561,114	3.0	1,362,466	42,539,515
2		2,622,523				2,622,523		2,622,523	8.0	209,802	2,212,721
3		924,598	210,246			1,134,844	100,123	2,029,721	20.0	405,944	928,900
4		233,277	12,521		3,266	2,533,422	93,743	1,989,519	30.0	596,765	1,744,656
5		408,528	362,118			770,646	111,628	519,521	100.0	519,521	251,127
6		92,526				92,526		92,526	5.0	4,626	87,900
7			5,922,411			5,023,411	4,513,706	2,512,705	8.0	201,444	4,822,000
8			253,325			253,325	126,863	126,462	15.0	18,968	134,357
Totals		10,336,691	5,465,437		7,566	26,799,481	3,247,097	53,562,786		3,321,643	53,263,238

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
----------------------------------------------------------------	--------------------------------------------------------------	----------------------------------------

Is the corporation electing under regulation 1101(5q)? 1 Yes 2 No **X**

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9, or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 10)
reg	50,336,936	6,465,757		7,568	56,730,881	5,227,033	53,503,784				3,547,643	52,253,238
10.1												
13												
14												
24												
27												
29												
34												
Rental												
Totals												3,547,643

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Enter in boxes 650 650 on the CT23.



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

Ontario Cumulative Eligible Capital Deduction
Schedule 10

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2005/12/31

For use by a corporation that has eligible capital property

A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero)		144,699	A
Add:	Cost of eligible capital property acquired during the taxation year	+	B
	Amount transferred on amalgamation or wind-up of subsidiary	+	C
	Other adjustments	+	D
Total of B + C + D	=	x 3/4 =	E
Subtotal A + E	=	144,699	F
Deduct:	Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	G
	The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the <i>Income Tax Act</i> (Canada)	+	H
	Other adjustments	+	I
Total of G + H + I	=	x 3/4 =	J
Ontario Cumulative eligible capital balance F - J	=	144,699	K
If amount K is negative, enter zero at line M and proceed to Part 2			
Current year deduction	144,699	K x 7% *	= 10,129 L
* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter the amount in box 651 of the CT23			
Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero)	=	134,570	M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may **not** exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only Complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount.	N
Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	1
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA	2
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	3
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	4
Line 3 deduct line 4	5
Total lines 1 + 2 + 5	6
Line T From previous Ontario Schedule 10 for taxation years ending after February 27, 2000	7
Deduct line 7 from line 6	
N - O (cannot be negative)	O
Amount on line 5	P
P - Q	Q
Amount on line R	R
Lesser of line N or line O	S
Amount to be included in income S + T	T

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S



Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NIAGARA POWER INC.	9271340	2005/12/31

For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 - Capital gains reserves

Description of property	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Ontario Balance at the end of the year \$
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Totals	<NIL> A	<NIL> B	<NIL> C

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 - Other reserves

Description	Ontario Balance at the beginning of the year \$	Transfer on amalgamation or wind-up of of subsidiary \$	Ontario Balance at the end of the year \$
Reserve for doubtful debts			
Reserve for undelivered goods and services not rendered	228,659		
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	228,659 D	<NIL> E	<NIL> F

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.
The amount from **F** should be entered in **654** of the CT23.

Part 3 - Continuity of non-deductible reserves

Reserve	Ontario opening balance and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Totals	<NIL>	<NIL>	<NIL>	<NIL>	<NIL>

Enter in box **653** of the CT23

Enter in box **606** of the CT23

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
CANADIAN NTAGARA POWER INC.	9271340	2005/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
CANADIAN NIAGARA POWER CO.	9271340	2005/12/31	83,802,000	61,854,000
FOR A COMPLETE LIST OF ASSOCIATED			1000000,000	500,000,000
REFER TO THE FEDERAL GOV OF CANADA,				
Totals			1083802,000	561,854,000

(Transfer to 249 of the CT23) (Transfer to 250 of the CT23)

**Ministry of Finance**Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9**Cooperative Education Tax Credit (CETC)****CT23 Schedule 113****Page 1 of 1**

Corporation's Legal Name

CANADIAN NIAGARA POWER INC.

Ontario Corporations Tax Account No.
(MOF)

9271340

Taxation Year End

2005/12/31

Instructions for completing the CETC Claim Form**D** Complete the section below, if claiming this credit.**D** Enter the relevant details for each qualifying work placement, including the amount of tax credit.**D** Your total tax credit for the taxation year is equal to the sum of the tax credits for each qualifying work placement.**D** Enter the total tax credit claimed on line **192**, page 7 of the CT23 or page 4 of the CT8.

- The maximum amount of the credit that can be claimed in respect of each work placement is \$1,000.

D Ensure you have the following documentation (Do not include with the form or tax return.):

- a letter of certification from the Ontario college, university or other post-secondary institution, containing information as specified by the Minister, stating that the student is enrolled in a qualifying education program; or

- a voucher for leading-edge technology programs, other than an apprenticeship, stating that the educational program meets the definition of a qualifying program in leading-edge technology and that the work performed by that student during the work placement is in a related field.

D The credit is **considered government assistance** and is therefore **to be included in income** in the year the credit is claimed.**Summary of Co-operative Education Tax Credit Claimed**

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements and leading-edge technology work placements. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2001 taxation year end, hires an eligible student from September 1, 2001 until April 30, 2002, this would be considered 2 work placements. The first work placement is September 1, 2001 to December 31, 2001 and would be claimed in the 2001 taxation year. The second placement is January 1, 2002 to April 30, 2002 and must be claimed in the 2002 taxation year.

Qualifying Work Placements

Name of University / College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates year month day	Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. \$1,000 per work placement)
BROCK	GIAMPAOLO	506798545	From 2005/05/01	5750	5776
BUSINESS	JULIE		To 2005/08/31	10,311	1,000
WESTERN	SHAHEEN	538365974	From 2005/09/06	5751	5777
ELEC ENGINEERING	USMAN		To 2005/12/31	10,592	1,000
			From	5752	5778
			To		
				5774	5798
Totals				20,903	2,000

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year: **A** \$ 1,000,000 **D**If **A** is \$600,000 or greater use 10%. If **A** is \$400,000 or less use 15%.Transfer to **192** Page 7 of the CT23 or Page 4 of the CT8If **A** is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05(1,000,000 **D** - \$400,000)/\$200,000]

Indicate rate used: 10.0 % * Credit claimed equals ECP multiplied by rate.

From **A**



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

Apprenticeship Training Tax Credit (ATTC)
CT23 Schedule 114

Page 1 of 1

Corporation's Legal Name CANADIAN NIAGARA POWER INC.	Ontario Corporations Tax Account No. (MOF) 9271340	Taxation Year End 2005/12/31
----------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

Instructions for completing the ATTC Claim Form

- D** Complete the section below, if claiming this credit.
- D** Enter the relevant details for each eligible apprentice, including the amount of tax credit.
- D** Your total tax credit for the taxation year is equal to the sum of the tax credits for each eligible apprentice.
- D** Enter the total tax credit claimed on line **[203]**, page 7 of the CT23 or page 4 of the CT8.
- D** Enter the total number of apprentice hired on line **[202]**, page 7 of the CT23 or page 4 of the CT8.
- D** Corporations are eligible for 25% (30% in the case of corporations with payroll not exceeding \$400,000) refundable tax credit on wages and salaries paid after May 18, 2004 to eligible apprentices during the first 36 months of an apprenticeship.
- D** The maximum amount of credit that can be claimed in respect of each eligible apprentice is \$5,000 per year to a maximum of \$15,000 over the first 36 months of the apprenticeship. The maximum annual tax credit of \$5,000 is pro-rated for the number of days the apprentice was employed during the taxation year.
- D** The credit is *considered government assistance* and is therefore *to be included in income* in the year the credit is claimed.

Summary of Apprenticeship Training Tax Credit Claimed

Complete a separate entry for each eligible apprentice that is in a qualifying skilled trade and hired before January 1, 2008. This credit applies to **salaries and wages paid after May 18, 2004 and before January 1, 2011** to eligible apprentices during the first 36 months of an apprenticeship.

Example: A taxpayer, with a December 31, 2004 taxation year end, hires an otherwise eligible apprentice on June 1, 2004 at a salary of \$3,500 per month. The taxpayer's salaries and wages in the preceding taxation year were \$700,000. The credit claimed is the lesser of *** (1)** 25% of salaries paid to the apprentice during the period of employment (\$25% x \$3,500 x 7 = \$6,125), and *** (2)** \$5,000 multiplied by the number of days in the apprentice was employed during the taxation year, divided by the total number of days in the calendar year (\$5,000 x 214/366 = \$2,923). Hence, the credit claimed in the 2004 taxation year is \$2,923.

Eligible Apprenticeship

Trade Code	Description of Apprenticeship Program	Apprentice Name and Social Insurance No. (SIN)	Registration Date of Apprenticeship Contract or Training Agreement year month day	Contract or Agreement No.	Employment Period year month day	Eligible Expenditures (EE)	* Credit Claimed (See notes below)
434a	Power Lin	Name MOERLAND CRAIG SIN 516845476	2005/04/29	A83079	From 2005/01/01 To 2005/12/31	5850 37,510	5876 5,000
		Name SIN			From To	5851 5877	
		Name SIN			From To	5852 5878	
		Name SIN			From To	5874 5898	
Totals						37,510	5,000

Corporation's salaries & wages paid in the preceding taxation year **A** \$ **1,000,000** **D**

Transfer to **[203]** Page 7 of the CT23 or Page 4 of the CT8

- D** If **A** is \$600,000 or greater use 25%.
- D** If **A** is \$400,000 or less use 30%.
- D** If **A** is over \$400,000 but less than \$600,000 use the following formula to calculate the specified percentage:
Specified percentage = .30 - [.05 (From **A** **1,000,000** **D** - \$400,000) ÷ \$200,000]
Indicated specified percentage used **25.00** %

* Credit claimed equals lesser of:

- (1) EE multiplied by the specified percentage, and
(2) **\$5,000 x number of days the apprentice was employed in the taxation year**
365 (366 if leap year)

Total number of Apprentice	= 5896	1 D
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Transfer to **[202]** Page 7 of the CT23 or Page 4 of the CT8



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9**ELECTRONIC FILING CERTIFICATE
FOR CORPORATIONS TAX RETURN CT23****Please check (x) appropriate boxes if applicable**

First Year of Filing

Final Taxation Year up to
DissolutionChange of Control
fed.s.249(4)

Corporations Tax Account Number

9271340

Date of Incorporation

1999/02/17

Amended return

Final Taxation Year before
Amalgamation

Date control was acquired:

Return for Taxation Year

Taxation Year End has changed
Approval by Rev. Can. required

Floating Fiscal Year End

Start 2005/01/01

End 2005/12/31

Exempt From Filing

X Subject to CMT

CRA Business Number

872498225RC0002

Jurisdiction Incorporated

ONTARIO

Change of Information? (x) Yes No X

Corporation's Legal Name: CANADIAN NIAGARA POWER INC.

Mailing Address: 1130 BERTIE STREET

FORT ERIE

ON L2A5Y2

Transmitter Details

Transmitter number 9271340

Transmitter name 808225RC0002

Name of person to contact GLEN KING

Telephone Number (905) 871-0330

Facsimile number (905) 871-0330

Transmitter Address 1130 BERTIE STREET FORT ERIE, ON L2A

Disk Reference Number

[250] Aggregate of Total Revenue: 561,854,000

[249] Aggregate of Total Assets: 1083,802,000

[10] Taxable Income (Non-capital Loss): -91,038

[950] Total Tax Payable: 192,387

[960] Payments: 463,200

[990] Enclosed:

Apply to Year:

Apply amount:

[975] Refund: 270,813 Yes X No

If Yes, Due To:

Loss Carryback Yes X No

Overpayment Yes X No

Refundable Tax Credit Yes No X

Certification

I am an authorized signing officer of the Corporation. I certify that this Return, including all schedules and statements filed with or as part of this Return, has been examined by me and is a true, correct and complete Return, and that the information is in agreement with the books and records of the corporation. I further certify that the financial statement accurately reflects the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name KING GLEN

Title CHIEF FINANCIAL OFFI

Full Residence:

Address 1130 BERTIE STREET

City FORT ERIE

Province ON Country CA

Postal Code L2A5Y2

2006/06/30 (905) 871-0330

Signature

Date

Phone #

Ministry
Use OnlyReturn
I.D. #

87249822520060519142417000000

CANTAX T2, version 05.2.307.128

Approval Code: 060B

PAYMENT ADVICE

Corporations Tax Account Number 9271340

Date of Incorporation 1999/02/17

Name CANADIAN NIAGARA POWER INC.

Enter the amount of payment and indicate taxation year

Taxation Year End Payment Amount

2005/12/31 \$

Total Payment \$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send To: Ontario Ministry of Finance

Corporations Tax Branch

P.O. Box 642

33 King Street West

Oshawa, ON, L1H 8T1

Incomplete Information will result in a delay processing an assessment.

Name of Corporation	Business Number	Taxation Year End	Year	Month	Day
CANADIAN NIAGARA POWER INC.	872498225 RC 0002		2005	12	31

Comparative Tax Summary

	A Current Year 2005	B Previous Year 2004
Taxable Income:		
Net income from financial statements or T2S(1)	-91,038	1,937,334
Less: Donations and gifts to the crown		410
Deductible taxable dividends		
Part VI.1 tax		
Other		
Taxable income	<u> </u>	<u>1,936,924</u>
Addition to taxable income for foreign tax deductions	<u> </u>	<u> </u>
Adjusted taxable income	<u> </u>	<u>1,936,924</u>
Federal Tax Payable:		
Tax on taxable income at 38%		736,031
Add: Corporate surtax		21,694
Refundable tax on investment income		
Less: Small business deduction		
Federal tax abatement		193,692
Manufacturing and processing deduction		
Foreign non-business tax credit		
Foreign business income tax credit		
Federal political contribution credit		
Investment tax credit		
Part I.3 tax credit		
Other deductions and credits		135,585
Subtotal	<u> </u>	<u>329,277</u>
Part I tax payable		<u>428,448</u>
Refundable portion of part I tax		
Part I.3 tax on large corporations	112,805	103,813
Part IV tax on taxable dividends		
Other taxes payable		
Subtotal	<u>112,805</u>	<u>532,261</u>
Add: Provincial (territorial) taxes less credits		
Subtotal	<u>112,805</u>	<u>532,261</u>
Less: Instalments	549,592	958,380
Dividend refund		
Investment tax credit & other refunds		
Subtotal	<u>549,592</u>	<u>958,380</u>
Federal balance owing or refundable	<u>-436,787</u>	<u>-426,119</u>
Provincial Tax Payable:		
Ontario income tax (net of credits)		270,169
Ontario capital tax	160,059	169,491
Ontario corporate minimum tax	32,328	
Ontario premium tax		
Manitoba capital tax		
Saskatchewan capital tax		
Alberta income tax		
Subtotal	<u>192,387</u>	<u>439,660</u>
Less: Instalments paid to provinces	463,200	451,292
Total provincial tax owing or refundable	<u>-270,813</u>	<u>-11,632</u>
Summary:		
Total federal tax owing or refundable	-436,787	-426,119
Total provincial tax owing or refundable	<u>-270,813</u>	<u>-11,632</u>
Total tax owing or refundable	<u>-707,600</u>	<u>-437,751</u>

WARNINGS

T2 - The corporation's final tax payment for the year is due no later than two months after the corporation's year-end.
S8 - Certain class 12 additions (eg. computer software) are subject to the half-year rule. If applicable, override the CCA rate to equal 50%.
CT23 - Corporation is subject to the Ontario Corporate Minimum Tax. The CT23 must be filed electronically.
CT23 - The program assumes the MCBS Annual return is required. If not an 'Ontario Corporation' or a foreign corporation licensed under the 'Extra-Provincial Corporations Act' to do business in Ontario then change the default to No.
CT23 - Ontario retail sales tax account number missing.
OCETC - For qualifying leading-edge technology work placements, expenditures paid after May 18, 2004, for apprenticeships in their first 36 months qualify for the ATTC. Complete Schedule 114 instead.
OCETC - Expenditures paid after December 31, 2004, for apprenticeships not in their first 36 months or for work placements other than co-op programs do not qualify for either a CETC or ATTC deduction.

GIFI DIAGNOSTICS

THE FOLLOWING FORMS HAVE AMOUNTS WHICH ARE OVERRIDDEN

S8
ONT-S8
CT23-C-10

T2 RSI WARNINGS - (should be reviewed before printing the RSI)

T2 RSI ERRORS - (must be cleared before printing the RSI)

DFILE ERRORS - (must be cleared before building the DFILE)

Status: Built

To avoid processing delays by the Ministry of Finance, the following DFILE Errors message(s) must be cleared before building the CT23 DFILE for this return.

The return has been selected for DFILE, but you did not indicate that the return is ready to be transmitted. Please return to the T2-ID screen and answer "Yes" to the question "Is this tax return ready for building or rebuilding the DFILE"?

FILING INSTRUCTIONS

Mail the completed CT23 return to the address below.
Please note that T2 facsimile forms no longer have to be filed with the Ontario return for taxation years that end after 2000.
Ontario Ministry of Finance
Corporation Tax Branch
P.O. Box 620
33 King Street West
Oshawa, Ontario L1H 8E9

ATTACHMENTS

ATTACHMENTS TO THE CT23 RETURN

PLEASE SIGN THE FOLLOWING FORMS WHERE REQUIRED

T2 RSI (#200) page 5 of 5.
RC59 - Business Consent Form
CT23 - Ontario Corporations Tax and Annual Return (or CT23-2 EFF Declaration)
CT23-CERT - CT-23 Certification Form Diskette Filing
Authorization letters

2003 EASTERN ONTARIO POWER CT23 TAX RETURN



Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

2003

CT23 Corporations Tax and
Annual ReturnFor taxation years commencing
after September 30, 2001Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purpose, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on Pages 3 - 17, together with the applicable schedules on pages 18-21. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common Page 1 and the MCBS Schedules A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide) ☒ Yes ☐ No **Page 1 of 24**

Corporation's Legal Name (including punctuation) EASTERN ONTARIO POWER INC			Ontario Corporations Tax Account No. (MOF) 6194711	
Mailing Address 1130 BERTIE STREET FORT ERIE ON L2A5Y2 CA			This CT23 return covers the Taxation Year Start year month day 2003/04/02 End year month day 2003/12/31	
Has the mailing address changed since last filed CT23 return? Yes <input type="checkbox"/> No <input type="checkbox"/> Date of Change			Date of Incorporation or Amalgamation year month day 1999/06/15	
Registered/Head Office Address 5 KING STREET EAST GANANOQUE ON K7G2V1 CA			Ontario Corporation No. (MCBS) 1360203	
Location of Books and Records 5 KING STREET EAST GANANOQUE ON K7G2V1 CA			Canada Customs and Revenue Agency (formerly Revenue Canada) Business No. If applicable, enter 897844122 RC 0001	
Name of person to contact regarding this CT23 Return Telephone No. Fax No. GLENN KING 905-871-0396 905-871-9812			Jurisdiction Incorporated: ONTARIO	
Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MCBS)			If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced: year month day Ceased: year month day <input checked="" type="checkbox"/> Not Applicable	
Former Corporation Name (Extra-Provincial Corporations only) <input checked="" type="checkbox"/> Not Applicable (MCBS)			Preferred Language / Langue de preference: <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French francais	
Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). Y If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check <input checked="" type="checkbox"/> this box. Schedule(s) A and K are not required (MCBS). Y <input checked="" type="checkbox"/> No Change			Ministry Use 	

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

J W GEILDERT

Title: ☒ Director ☐ Officer ☐ Other individual having knowledge of the affairs of the CorporationNote: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name
EASTERN ONTARIO POWER INC

Ontario Corporations Tax Account No. (MOF)
6194711

Taxation Year End
2003/12/31

CT23 Page 3 of 24

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (x) box(es) if applicable in sections 1 & 2

1	Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))	
2	Other Private	Share Capital with full voting rights owned by Canadian Residents (nearest percent)
3	Public	100 D%
4	Non-share Capital	
5	X Other Y Controlled by public	

1	Family Farm Corporation s.1(2)	12	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
2	Family Fishing Corporation s.1(2)	14	Bare Trustee Corporation
3	Mortgage Investment Corp. s.47	15	Branch of Non-resident s.63(1)
4	Credit Union s.51	16	Financial institutions prescribed by Regulation only
5	Bank Mortgage Subsidiary s.61(4)	17	Investment Dealer
6	Bank s.1(2)	18	Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
7	Loan and Trust Corporation s.61(4)	19	Hydro successor, Municipal Electrical Utility or subsidiary of either
8	Non-resident Corporation s.2(2)(a) or (b)	20	Producer and seller of steam for uses other than for the generation of electricity
9	Non-resident Corporation s.2(2)(c)	21	Insurance Exchange s.74.4
10	Mutual Fund Corporation s.48	22	Farm Feeder Finance Co-operative Corporation
11	Non-resident owned investment Corporation s.49	23	Professional Corporation (Incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office no.)

If applicable, enter

Ontario Employer Health Tax Account No.
(Use Head Office no.)

If applicable, enter

Specify major business activity:

Please check (x) box(es) if applicable:

First Year of Filing	Final Taxation Year up to Dissolution (wind-up)	Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
Amended Return	X Final Taxation Year before Amalgamation	Acquisition of Control fed s.249(4)
X Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required	Floating Fiscal Year End	Date Control was acquired year month day

Was the corporation inactive throughout the taxation year?	Yes	No
		X
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	X	
Are you requesting a refund due to: the Carry-back of a Loss?		X
an Overpayment?	X	
a Specified Refundable Tax Credit?		X
Are you a Member of a Partnership or Joint Venture?		X

Income Tax

CT23 Page 4 of 24

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39)(Int. B. 3008).

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15) - - - - -	± From	690	128,617	D
Subtract: Charitable donations - - - - -	-	1	550	D
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2) - - - - -	-	2		D
Subtract: Taxable dividends deductible, per federal T2 SCH 3 - - - - -	-	3		D
Subtract: Ontario political contributions (Attach schedule 2A)(Int.B.3002) - - - - -	-	4		D
Subtract: Federal Part VI.1 tax - - - - -	-	5		D
Subtract: Prior years' losses applied - - - - -	-			D
Non-capital losses - - - - -	- From	704		D
Net capital losses From 715 (page 16)] x inclusion rate % = - - - - -	-	714		D
Farm losses - - - - -	- From	724		D
Restricted farm losses - - - - -	- From	734		D
Limited partnership losses - - - - -	- From	754		D
Taxable income (Non-capital loss) - - - - -	=	10	128,067	D
Addition to taxable income for unused foreign tax deduction for federal purposes - - - - -	+	11		D
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) - - - - -	=	20	128,067	D

Taxable Income

From 10 (or 20 if applicable)	Ontario Allocation	Number of Days in Taxation Year	
128,067 x 30 100.0000 % x 12.5% x		Days after Sept 30, 2001 and before Jan 1, 2004 Total Days 33 274 ÷ 73 274	= + 29 16,008 D
128,067 x 30 100.0000 % x 11.0% x		Days after Dec 31, 2003 and before Jan 1, 2005 Total Days 34 ÷ 73 274	= + 32 D
Income Tax Payable (before deduction of tax credits)	29 + 32		= 40 16,008 D

Incentive Deduction for Small Business Corporations (IDSBC) (s.41) (If this section is not completed, IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year?

(X) Yes X No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) - - - - -		50	D
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) - - - - -	+	51 128,067	D
Add: Losses of other years deducted for federal purposes (fed.s.111) - - - - -	+	52	D
Subtract: Losses of other years deducted for Ontario purposes (s.34) - - - - -	-	53	D
	=	128,067	D
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$200,000) - - - - -	+	55	D
Add: Ontario enhancement of federal business limit		54 128,067	D

Number of Days in Taxation Year

80,000 X	Days after Sept 30, 2001 and before Jan 1, 2003 Total Days 28 ÷ 73 274	
X From 55	÷ 200,000	= + 43 D
120,000 X	Days after Dec 31, 2002 and before Jan 1, 2004 Total Days 31 274 ÷ 73 274	
X From 55	÷ 200,000	= + 46 D
160,000 X	Days after Dec 31, 2003 and before Jan 1, 2005 Total Days 34 ÷ 73 274	
X From 55	÷ 200,000	= + 47 D

Ontario enhancement of federal business limit 43 + 46 + 47 = 136 DY + 44 D

Business Limit for Ontario purposes 55 + 44 = 99 D 45 D

Income eligible for the IDSBC - - - - - From 30 100.0000 % x 56 D = 60 D

* Ontario Allocation Least of 50, 54 or 45

* **Note:** Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

Corporation's Legal Name
EASTERN ONTARIO POWER INCOntario Corporations Tax Account No. (MOF)
6194711Taxation Year End
2003/12/31

DOLLARS ONLY

Income Tax continued from Page 4**Calculation of IDSBC Rate****Number of Days in Taxation Year**

		Days after Sept 30, 2001 and before Jan 1, 2003		Total days		
6.5%	X	28	÷	73	274	= + 79
		Days after Dec 31, 2002 and before Jan 1, 2004		Total days		
7.0%	X	31	274 ÷	73	274	= + 89 7.0000
		Days after Dec 31, 2003 and before Jan 1, 2005		Total days		
6.0%	X	34	÷	73	274	= + 90

IDSBC Rate for Taxation Year 79 + 89 + 90 = 78 7.0000

Claim From 60 X From 78 7.0000 % = 70

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)**Applies** if you have claimed the Incentive Deduction for Small Business Corporations.****Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.**Associated Corporation** - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.****Taxable Income of the corporation** From 10 (or 20 if applicable) + 80 170,600 D**If you are a member of an associated group (X)** 81 (Yes)Name of associated corporation (Canadian & foreign)
(If insufficient space, attach schedule)Ontario Corporations Tax
Account No. (MOF)
(if applicable)

Taxation Year End

****Taxable Income**
(if loss, enter nil)

+ 82 D

+ 83 D

+ 84 D

= 85 170,600 D

Aggregate of Taxable Income 80 + 82 + 83 + 84, etc

Number of Days in Taxation Year

		Days after Sept 30, 2001 and before Jan 1, 2003		Total days		
Subtract:	280,000 X	28	÷	73	274	= + 113 D
		Days after Dec 31, 2002 and before Jan 1, 2004		Total days		
320,000 X		31	274 ÷	73	274	= + 115 320,000 D
		Days after Dec 31, 2003 and before Jan 1, 2005		Total days		
360,000 X		34	÷	73	274	= + 116 D
				+ 113 + 115 + 116 =		320,000 D Y
						= 86 320,000 D

(If negative, enter nil)

Number of Days in Taxation Year

		Days after Sept 30, 2001 and before Jan 1, 2003		Total days		
4.333%	X	28	÷	73	274	= + 95
		Days after Dec 31, 2002 and before Jan 1, 2004		Total days		
4.667%	X	31	274 ÷	73	274	= + 96 4.6670
		Days after Dec 31, 2003 and before Jan 1, 2005		Total days		
4.000%	X	34	÷	73	274	= + 97
				+ 95 + 96 + 97 =		94 4.6670
Specified rate of surtax for Taxation Year						
From 86	D X	From 94 4.6670 %				= 87 D
From 87	D X	From 60	D ÷	From 114 320,000 D		= 88 D
Surtax Lesser of 70 or 88						= 100

continued on Page 6

Corporation's Legal Name
EASTERN ONTARIO POWER INC

Ontario Corporations Tax Account No. (MOF)
6194711

Taxation Year End
2003/12/31

CT23 Page 6 of 24

Income Tax *continued from Page 5*

DOLLARS ONLY

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17) - - - - - 110 **D**

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario Schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income, and **b)** the total active business income is \$250,000 or less.

Eligible Canadian Profits - - - - - + 120 **D**

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56 **D**

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 **D** ÷ From 30 100.0000 % ÷ From 78 7.0000 % = 121 **D**

*Ontario Allocation

Lesser of 56 or 121 - - - - - + 122 **D**

120 - 56 + 122 - - - - - = 130 **D**

Taxable Income - - - - - + From 10 128,067 **D**

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56 **D**

Add: Adjustment for Surtax on Canadian-controlled private corporations - - - - - + From 122 **D**

Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - - - - - 140 **D**

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141 **D**

10 - 56 + 122 - 140 - 141 - - - - - = 142 128,067 **D**

Number of Days in Taxation Year

Days after Sept 30, 2001
and before Jan 1, 2004 Total days
33 274 ÷ 73 274

Days after Dec 31, 2003
and before Jan 1, 2005 Total days
34 ÷ 73 274

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.5% X *Ontario Allocation 33 274 ÷ 73 274 = + 154 **D**

Claim 143 Lesser of 130 or 142 X From 30 100.0000 % X 1.0% X *Ontario Allocation 34 ÷ 73 274 = + 156 **D**

M&P claim for taxation year + 154 + 156 - - - - - **D** = 160 **D**

***Note:** Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).

Manufacturing and Processing Profits Credit for Electrical Generating Corporations - - - - - = 161 **D**

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - = 162 **D**

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Inf.B.3001)(Attach schedule). 170 **D**

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 **D** Credit Claimed 180 **D**

Sub-total of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 - - - - - = 190 16,008 **D**

continued on page 7

DOLLARS ONLY

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporation's Legal Name EASTERN ONTARIO POWER INC	Ontario Corporations Tax Account No. (MOF) 6194711	Taxation Year End 2003/12/31
-------------------------------------------------------	-------------------------------------------------------	---------------------------------

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if **either** Total Assets exceeds \$5,000,000 **or** Total Revenue exceeds \$10,000,000.

*These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation - - - - - + 9,558,039 **D**
 * Total Revenue of the corporation - - - - - + 5,607,019 **D**

If you are a member of an associated group (x) X (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached schedule			+ <input type="text" value="243"/> 100,000,000 D	+ <input type="text" value="244"/> 500,000,000 D
			+ <input type="text" value="245"/> D	+ <input type="text" value="246"/> D
			+ <input type="text" value="247"/> D	+ <input type="text" value="248"/> D
Aggregate Total Assets	<input type="text" value="240"/> + <input type="text" value="243"/> + <input type="text" value="245"/> + <input type="text" value="247"/> , etc		= <input type="text" value="249"/> 109,558,039 D	
Aggregate Total Revenue	<input type="text" value="241"/> + <input type="text" value="244"/> + <input type="text" value="246"/> + <input type="text" value="248"/> , etc			= <input type="text" value="250"/> 505,607,019 D

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 18, 19 and 20 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 18.)

Gross CMT Payable - - - CMT Base From **D** X From 100.0000 % X 4% = **D**
 if negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - **D**

Subtract: Income Tax - - - - - From 16,008 **D**

Net CMT Payable (if negative, enter Nil on Page 17.) - - - - - = -16,008 **D**

If is less than zero and you do not have a CMT credit carryover, transfer from **Page 7 to Income Tax Summary, on Page 17.**

If is less than zero and you have a CMT credit carryover, complete A & B below.

If is greater than or equal to zero, transfer to **Page 17** and transfer to **Page 17, and to Schedule D: Continuity of CMT Credit Carryovers, on Page 20.**

CMT Credit Carryover available - - - - - From **D**

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From 16,008 **D**

Gross CMT Payable - - - - - + From **D**

Subtract: Foreign Tax Credit for CMT purposes - - - - - From **D**

If - is negative, enter NIL in = **D Y** - **D**

Income Tax eligible for CMT Credit - - - - - = 16,008 **D**

B. Income Tax (after deduction of specified credits) - - - - - + From 16,008 **D**

Subtract: CMT credit used to reduce income taxes - - - - - From **D**

Income Tax - - - - - = 16,008 **D**

If A & B apply, cannot exceed the lesser of , and your CMT credit carryover available .

If only B applies, cannot exceed the lesser of and your CMT credit carryover available .

Transfer to page 17

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

DOLLARS ONLY

Capital Tax (Refer to Guide And Int.B. 3011)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences on or after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a

corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B.3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B.3010).

Paid-Up Capital

Paid-up capital stock (Int.B.3012 and 3015)	- - - - -	+	350	1,044,477	D
Retained earnings (if deficit, deduct)(Int.B.3012)	- - - - -	+	351	34,655	D
Capital and other surpluses, excluding appraisal surplus (Int.B.3012)	- - - - -	+	352	3,946,778	D
Loans and advances (Attach schedule)(Int.B.3013)	- - - - -	+	353	242,917	D
Bank loans (Int.B.3013)	- - - - -	+	354		D
Bankers acceptances (Int.B.3013)	- - - - -	+	355		D
Bonds and debentures payable (Int.B.3013)	- - - - -	+	356		D
Mortgages payable (Int.B.3013)	- - - - -	+	357		D
Lien notes payable (Int.B.3013)	- - - - -	+	358		D
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)(Int.B.3013)	- - - - -	+	359	860,173	D
Contingent, investment, inventory and similar reserves (Int.B.3012)	- - - - -	+	360		D
Other reserves not allowed as deductions for income tax purposes (Attach schedule)(Int.B.3012)	- - - - -	+	361		D
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))(Int.B.3017)	- - - - -	+	362		D
Subtotal	- - - - -	=	370	6,129,000	D
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)(Int.B.3012)	- - - - -	-	371	2,706,802	D
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes(Int.B.3015)	- - - - -	-	372		D
Total Paid-up Capital	- - - - -	=	390	3,422,198	D
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))(Int.B.3015)	- - - - -	-	381		D
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	- - - - -	-	382		D
Net Paid-up Capital	- - - - -	=	390	3,422,198	D

Eligible Investments (Refer to Guide and Int.B.3015)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+	402		D
Mortgages due from other corporations	- - - - -	+	403		D
Shares in other corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	404		D
Loans and advances to unrelated corporations	- - - - -	+	405		D
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	406		D
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	- - - - -	+	407		D
Total Eligible Investments	- - - - -	=	410		D

continued on Page 10

Corporation's Legal Name
EASTERN ONTARIO POWER INC

Ontario Corporations Tax Account No. (MOF)
6194711

Taxation Year End
2003/12/31

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DOLLARS ONLY

Capital Tax Calculation *continued from page 10*

SECTION C

This section applies **ONLY** to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either ☐ 509 or ☐ 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ 509 (X if applicable) All corporations that you are associated with do not have a permanent establishment in Canada.

If taxable capital ☐ 470 on page 10 is \$5,000,000 or less, enter NIL in ☐ 550 on page 12 and complete the return from that point.

If taxable capital ☐ 470 on page 10 exceeds \$5,000,000 proceed to **Section D**, enter \$5,000,000 in ☐ 542 Section D, and complete Section D and the return from that point.

C2. ☒ 524 (X if applicable) One or more of the corporations that you are associated with maintains a permanent establishment in Canada.

If the taxation year ends before January 1, 2003, you must complete the *Calculation* below.

If the taxation year ends after December 31, 2002, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporation Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the \$15,000 capital tax effect relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total assets formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporation group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do Not complete this calculation if ss.69(2.1) election is filed

Taxable Capital From ☐ 470 on page 10 - - - - - + From ☐ 470 3,422,198 ☐ D

Determine aggregate taxable capital of an associated (excluding financial institutions and corporations exempt from capital tax) group and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada
(if insufficient space, attach schedule)

Ontario Corporations Tax
Account No. (MOF)
(if applicable)

Taxation Year End

Taxable Capital

See schedule CT21

+ ☐ 531 ☐ D
+ ☐ 532 ☐ D
+ ☐ 533 ☐ D

Aggregate Taxable Capital ☐ 470 + ☐ 531 + ☐ 532 + ☐ 533, etc - - - - - = ☐ 540 439,019,715 ☐ D

E

If ☐ 540 above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL. Enter NIL in ☐ 523 in section D on page 12, as applicable.

If ☐ 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under section D on page 12.

From ☐ 470 3,422,198 ☐ D ÷ From ☐ 540 439,019,715 ☐ D X 5,000,000 - - - - - = ☐ 541 38,975 ☐ D
Transfer to ☐ 542 in Section D on page 12

Ss.69(2.1) Election filed

☐ 591 (X if applicable)

Election filed. Attach a copy of the election with this CT23 Return.
Process to **section E** on page 12

continued on Page 12

Capital Tax Calculation *continued from Page 11*

Section D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital,

540 on page 11, exceeds \$5,000,000.

Complete the following calculations and transfer the amount From to and complete the return from that point.

[illegible]

Section E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+	From	470	3,422,198	D	X	From	30	100.0000	%	X	0.3%	- - - - -	= +	561	_____					
Ontario Allocation																				
-	Capital tax deduction	From	995	relating to <i>your corporation's</i> capital tax deduction on ss.69(2.1) election form.										-	From	995	_____			
														=	562	_____				
Days in taxation year																				
Capital tax-	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	562	_____				
														D	X	555	274	=	563	_____
**365 (366 if leap year)																				
Transfer to 543 and complete the return from that point																				

**** If floating taxation year, refer to Guide.**

Capital Tax before application of specified credits	- - - - -	=	543
Subtract: Specified Tax credits applied to reduce capital tax payable (<i>Refer to Guide</i>)	- - - - -	-	546
Capital Tax	543 - 546 (<i>amount cannot be negative</i>)	- - - - -	= 550

Transfer to page 17

Corporation's Legal Name
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DOLLARS ONLY

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in 550 on page 12, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)

565 D X 0.6% X From 30 100.0000 % X 555 274 ÷ **365 = + 569 D
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 Ontario Allocation (366 if leap year)

570 D X 571 % X From 30 100.0000 % X 555 274 ÷ **365 = + 574 D
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount Capital Tax Rate (Refer to Guide) Ontario Allocation (366 if leap year)

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 - - - - - = 575 D

**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments - - - - - 585 D
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) Yes

Capital Tax - Financial Institutions 575 - 585 - - - - - = 586 D
Transfer to 543 on Page 12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements - - - - - 587 D X 2% - - - - - = 588 D
Applies to Ontario-related uninsured benefits arrangements

(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* - - - - - 589 D

Premium Tax 588 - 589 - - - - - = 590 D
Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss)
for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - + 600 128,617 D
Transfer to Page 15

Add:

Federal capital cost allowance - - - - -	+ 601	85,333	D
Federal cumulative eligible capital deduction - - - - -	+ 602		D
Ontario taxable capital gain - - - - -	+ 603		D
Federal non-allowable reserves, Balance beginning of year - - - - -	+ 604	78,115	D
Federal allowable reserves, Balance end of year - - - - -	+ 605		D
Ontario non-allowable reserves, Balance end of year - - - - -	+ 606		D
Ontario allowable reserves, Balance beginning of year - - - - -	+ 607		D
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+ 608		D
Federal resource allowance - - - - -	+ 609		D
Federal depletion allowance - - - - -	+ 610		D
Federal foreign exploration and development expenses - - - - -	+ 611		D
Management fees, rents, royalties and similar payments to non-arms' length non-residents E			D

Number of Days in Taxation Year

Days after Sept. 30, 2001 and before Jan. 1, 2004 Total Days
612 D X $\frac{5}{12.5} \times \frac{33}{73} \times 274$ = + 633 D

Days after Dec. 31, 2003 and before Jan. 1, 2005 Total Days
612 D X $\frac{5}{11.0} \times \frac{34}{73} \times 274$ = + 634 D

Total add-back amount for Management fees, etc. 633 + 634 - = D Y+ 613 D

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661
excluding any negative amount in 473 from Ont. CT23 schedule 161 - - - - - + 615 D

Add any negative amount in 473 from Ont. CT23 Schedule 161 - - - - - + 616 D

Federal allowable business investment loss - - - - - + 620 D

Total of other items not allowed by Ontario but allowed federally (Attach schedule) - - - + 614 D

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 = 163,448 D = 640 163,448 D
Transfer to Page 15

Deduct:

Ontario capital cost allowance(excluded amounts deducted under 675) - - - - -	+ 650	85,333	D
Ontario cumulative eligible capital deduction - - - - -	+ 651		D
Federal taxable capital gain - - - - -	+ 652		D
Ontario non-allowable reserves, Balance beginning of year - - - - -	+ 653	78,115	D
Ontario allowable reserves, Balance end of year - - - - -	+ 654		D
Federal non-allowable reserves, Balance end of year - - - - -	+ 655		D
Federal allowable reserves, Balance beginning of year - - - - -	+ 656		D
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) - - -	+ 657		D
Ontario depletion allowance - - - - -	+ 658		D
Ontario resource allowance - - - - -	+ 659		D
Ontario current cost adjustment (Attach schedule) - - - - -	+ 661		D
Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.) - - - - -	+ 674		D
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources. - - -	+ 675		D

Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 - - - - - = 681 163,448 D
Transfer to Page 15

Corporation's Legal Name
EASTERN ONTARIO POWER INC

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DOLLARS ONLY

**Reconcile net income (loss) for federal income tax purposes with net income (loss)
for Ontario purposes if amounts differ**

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From \pm 600 128,617 D
Total of Additions - - - - - From = 640 163,448 D
Sub Total of deductions on page 14 - - - - - From = 681 163,448 D

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario)(CCA) on prescribed qualifying
intellectual property deducted in the current taxation year - - - 662 D

ONTTI Gross-up deduction calculation:

From 662 Gross-up of CCA X 100
From 30 100.0000
Ontario Allocation
- From 662 D = 663 D

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 D X 30% X 100
From 30 100.0000
Ontario Allocation
= 666 D

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 D X 100% X 100
From 30 100.0000
Ontario Allocation
Number of Employees accommodated 669
= 668 D

Ontario School Bus Safety Tax Incentive (OSBSTI) (Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.)(Refer to guide)

Qualifying expenditures: 670 D X 30% X 100
From 30 100.0000
Ontario Allocation
= 671 D

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 D X 15% X 100
From 30 100.0000
Ontario Allocation
= 673 D

Ontario allowable business investment loss - - - - - + 678 D

Ontario Scientific Research Expenses claimed in year in 477
from Ont. CT23 Schedule, 161 - - - - - + 679 D

Amount added to income federally for an amount that was negative in line
454 of federal form T661 - - - - - + 677 D

Total of other deductions allowed by Ontario (Attach schedule) - - - - - + 664 D

Total of Deductions

681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 - - - - - = 163,448 D Y 680 163,448 D

Net income (loss) for Ontario purposes 600 + 640 - 680 - - - - - = 690 128,617 D

Transfer to Page 4

Corporation's Legal Name
EASTERN ONTARIO POWER INC

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DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Page 17	716 (2) To Page 17	726 (2) To Page 17	736 (2) To Page 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8) <NIL>	719 <NIL>	729 <NIL>	739	749 <NIL>	759 <NIL>

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709; must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1994/12/31				850	870
801 1995/12/31				851	871
802 1996/12/31				852	872
803 1997/12/31	820	830	840	853	873
804 1998/12/31	821	831	841	854	874
805 1999/12/31	822	832	842	855	875
806 2000/12/31	823	833	843	856	876
807 2001/12/31	824	834	844	857	877
808 2002/12/31	825	835	845	858	878
809 2003/12/31	826	836	846	859	879
Total	829 <NIL>	839 <NIL>	849 <NIL>	869 <NIL>	889

Corporation's Legal Name **EASTERN ONTARIO POWER INC** Ontario Corporations Tax Account No. (MOF) **6194711** Taxation Year End **2003/12/31**

DOLLARS ONLY

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

D If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

D Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

D Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

D Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.

D The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:

- 1) the first day of the taxation year after the loss year.
- 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
- 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.

D If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporations's Tax Account No. (MOF)				
Taxation Year Ending YYYY MM DD				
i) 3rd preceding 901 2000/12/31	911	921	931	941
ii) 2nd preceding 902 2001/12/31	912	922	932	942
iii) 1st preceding 903 2002/12/31	913	923	933	943
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax - - - - + From 230 or 320 16,008

Corporate Minimum Tax - - - + From 280

Capital Tax - - - - - + From 550

Premium Tax - - - - - + From 590

Total Tax Payable - - - - - = 950 16,008

Subtract: Payments - - - - - - 960 33,392

Capital Gains Refund (s.48) - - - - 965

Qualifying Environmental- - - - 985

Trust Tax Credit (Refer to Guide)

Specified Tax Credits (Refer to Guide) - - - - - - 955

Balance - - - - - - = 970 -17,384

If payment due - - - - - Enclosed* 990

If overpayment: Refund (Refer to Guide) = 975 17,384

year month day

Apply to 980

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, **payable to the Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. (Refer to Guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return, and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

J WILLIAM GELDERT

Title

OFFICER

Full Residence Address

80 NASSAU STREET

CHARLOTTETOWN

PE

C1A7W1

CA

Signature

Date

30/06/2004

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Corporate Minimum Tax - Schedule A:
Calculation of CMT Base



Banks - Net Income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - + 2100 34,654 D

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current incomes taxes - - + 2101 D
Provision for deferred income taxes (credits) / benefit of future incomes taxes - - + 2102 D
Equity income from corporations - - - - - + 2103 D
Share of partnership(s)/joint venture(s) income - - - - - + 2104 D
Dividends received/receivable deductible under fed.s.112 - - - - - + 2105 D
Dividends received/receivable deductible under fed.s.113 - - - - - + 2106 D
Dividends received/receivable deductible fed.s.83(2) - - - - - + 2107 D
Federal Part VI.1 tax paid on dividends declared and paid
under fed.s.191.1(1) D X 9/4 - - - - - + 2108 D

Subtotal - - - - - = D Y-2109 D

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current incomes taxes - - - - - + 2110 88,775 D
Provision for deferred income taxes / cost of future incomes taxes (debits) - - + 2111 50,173 D
Equity losses from corporations - - - - - + 2112 D
Share of partnership(s)/joint venture(s) losses - - - - - + 2113 D
Dividends that have been deducted to arrive at net income per Financial Statements.
s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - - - + 2114 D

Subtotal - - - - - = 138,948 D Y+2115 138,948 D

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years
** Fed. s.85 - - - - - + 2116 D or - 2117 D
** Fed. s.85.1 - - - - - + 2118 D or - 2119 D
** Fed. s.97 - - - - - + 2120 D or - 2121 D
** Amounts relating to amalgamations (fed.s.87) as
prescribed in regulations for current/prior years + 2122 D or - 2123 D
** Amounts relating to wind-ups (fed.s.88) as
prescribed in regulations for current/prior years + 2124 D or - 2125 D
** Amounts relating to s.57.10 election/regulations
for replacement re fed.s.13(4), 14(6) and 44
for current/prior years - - - - - + 2126 D or - 2127 D
Interest allowable under ss. 20(1)(c) or (d) of ITA
to the extent not otherwise deducted in
determining CMT adjusted net income - - - - - - 2150 D

Subtotal (Additions) - - - - - = D Y + 2128 D

Subtotal (Subtractions) - - - - - = D Y-2129 D

** Other adjustments - - - - - + 2130 D

Subtotal + 2100 - 2109 + 2115 + 2128 - 2129 + 2130 = 2131 173,602 D

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - + 2132 D

Adjusted net income (loss)

(if loss, transfer to 2202 in **Schedule B: Continuity of CMT Losses Carried Forward, Page 19**) = 2133 173,602 D

Deduct * CMT losses: pre-1994 Loss - - - - - + From 2210 D

* CMT losses: other eligible losses - - - - - + From 2211 173,602 D

= 173,602 D Y-2134 173,602 D

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base - - - - - = 2135 D

Transfer to CMT Base, Page 8

Please complete
Corporation's Legal Name

EASTERN ONTARIO POWER INC

Ontario Corporations Tax Account No. (MOF)

6194711

Taxation Year End

2003/12/31

CT23
Schedule B & C
Page 19 of 24

DOLLARS ONLY

Corporate Minimum Tax (CMT)



Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2) - - - - - + 2201 320,347 D

Add: Current year's losses - - - - - + 2202 D

Losses from predecessor corporations on amalgamation (3) - - - + 2203 D

Losses from predecessor corporations on wind-up (3) - - - + 2204 D

Amalgamation (X) 2205 Yes Wind-up (X) 2206 Yes

Subtotal - - - - - = D Y+ 2207 D

Adjustments (attach schedule) - - - - - + 2208 D

CMT losses available 2201 + 2207 + 2208 - - - - - = 2209 320,347 D

Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income - - + 2210 D

Other eligible losses utilized during the year to reduce adjust. net income (4) + 2211 173,602 D

Losses expired during the year - - - - - + 2212 D

Subtotal - - - - - 173,602 D Y- 2213 173,602 D

Balance at End of Year (5) 2209 - 2213 - - - - - = 2214 146,745 D

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year-End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first) year month day		CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	1994/12/31	2260	2280
2241	1995/12/31	2261	2281
2242	1996/12/31	2262	2282
2243	1997/12/31	2263	2283
2244	1998/12/31	2264	2284
2245	1999/12/31	2265	2285
2246	2000/12/31	2266	2286
2247	2001/12/31	2267	2287
2248	2002/12/31	2268 146,745	2288
2249	2003/12/31	2269	2289
Totals		2270 146,745	2290

The sum of amounts 2270 + 2290 must
equal amount in 2214.



Ontario

Ministry of Finance

Corporations Tax Branch
P.O. Box 620
33 King Street West
Oshawa, ON L1H 8E9Ontario Charitable Donations and Gifts
Schedule 2 page 1 of 3

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

D For use by corporations to claim any of the following:

- Charitable donations;
- Gifts to Her Majesty in right of Ontario, to Ontario crown agencies, or to Ontario Crown foundations;
- Gifts to Canada or a province;
- Gifts of certified cultural property; or
- Gifts of certified ecologically sensitive land.

D The donations and gifts are eligible for a five year carry-forward.**D** Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal *Income Tax Act* (Canada).**D** File one completed copy of this schedule with your CT23.**Part 1 - Charitable Donations**

Charitable donations at end of preceding taxation year	+	550	A
Deduct: Donations expired after 5 taxation years	-		B
Charitable donations at beginning of taxation year	=	550	C
Add:			
Donations transferred on amalgamation or wind-up of subsidiary	+		D
Total current year charitable donations made	+		E
Subtotal D + E	=		Y
Total donations available C + F	= +	550	G
Deduct: Amount applied against taxable income: (amount T)	-	550	T
Charitable donations closing balance	=		H

Part 2 - Maximum deduction calculation for donations

Ontario net income for tax purposes multiplied by 75% = 96,463 I

Note: For credit unions the Ontario net income for tax purposes is the amount before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Ontario taxable capital gains arising in respect of gifts of capital property	+		J
Ontario taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)ITA	+		K

Add the lesser of:

- The amount of the recapture of capital cost allowance in respect of charitable gifts

L

- The lesser of:**

- Proceeds of dispositions less outlays and expenses

M

- The capital cost

N

The lesser of amounts M and N

Y

The lesser of amounts L and O

Y

O

Subtotal J + K + P

Y

O

P

Q

25% X

Q

Maximum deduction allowable I + R**Claim for charitable donations:** (not exceeding the lesser of G from Part 1, S and net income for tax purposes)

550

R

S

T

Enter the amount in box 1 of the CT23

Part 3 - Gifts to Her Majesty in right of Ontario

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

Part 6 - Gifts of certified cultural property

Gifts of certified cultural property at the end of the preceding taxation year	+	
Deduct: Gifts of certified cultural property expired after five years	-	
Gifts of certified cultural property at the beginning of the taxation year	=	
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified cultural property	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified cultural property closing balance	=	

Part 7 - Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the preceding taxation year	+	
Deduct: Gifts of certified ecologically sensitive land expired after five years	-	
Gifts of certified ecologically sensitive land at the beginning of the taxation year	=	
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	+	
Total current year gifts of certified ecologically sensitive land	+	
Subtotal	=	
Deduct: Amount applied against taxable income	-	
Gifts of certified ecologically sensitive land closing balance	=	

Part 8 - Analysis of balance by year of origin

Year of origin	Charitable donations	Gifts to Her Majesty in right of Ontario	Gifts to Canada or a province other than Ontario	Gifts of certified cultural property	Gifts of certified ecologically sensitive land
1999/12/31					
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
Totals					

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

Part 9 - Carry forwards of charitable donations

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998				<NIL>	
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002	550		550		<NIL>
31/12/2003					<NIL>
Total	550		550		<NIL>

Part 10 - Carry forwards of gifts to Canada or a province

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 11 - Carry forwards of gifts of certified cultural property

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

Part 12 - Carry forwards of certified ecologically sensitive land

Year-end of Origin	Prior Year Carry forward	Current Year Donations	Applied	Expired	Carry-forward
31/12/1998					
31/12/1999					<NIL>
31/12/2000					<NIL>
31/12/2001					<NIL>
31/12/2002					<NIL>
31/12/2003					<NIL>
Total					<NIL>

CAPITAL COST ALLOWANCE (CCA)

SCHEDULE 8 - Ontario

(1998 and later taxation years)

Name of Corporation EASTERN ONTARIO POWER INC	Business Number 6194711	Taxation Year End	Year Month Day 2003/12/31
---------------------------------------------------------	-----------------------------------	-------------------------	-------------------------------------------

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.Is the corporation electing under regulation 1101(5g)? **101** 1 Yes 2 No **X**

1 Class no.	Description	2 Undepreciated capital cost at the beginning of the year (column 11 from last year's T2S(8))	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (deduct 1/2 the amount, if any, by which the net cost of acquisitions exceeds col. 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 3 below	11 Undepreciated capital cost at the end of the year (column 6 minus column 10)
200		201	203	205	207		211		212	217	220
		1,126,151	1,126,151			1,218,241	609,120	1,158,121	12.1	39,998	1,118,123
8		28,353	18,219		1,188	47,213	1,188	46,025	10.1	3,668	43,547
9		8,4	17,228		187	25,421	12,711	12,710	10.1	3,428	21,993
2		101,108				101,108		101,108	10.1	3,198	97,910
12			95,212			95,212	47,606	47,606	10.1	3,677	61,371
	Total	1,263,612	1,240,590		1,663	1,362,044	736,525	625,519		50,261	701,523

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Guide for more information.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*

Is the corporation electing under regulation 1101(5g)?

1 Yes

2 No ☒ X

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
reg	1,266,272	241,720		1,607	1,506,385	120,058	1,386,327
10.1							
13							
14							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
reg			85,333	1,421,052			
10.1							
13							
14							
Total			85,333				

1 Class number	2 UCC start of year	3 Additions during the year	4 Net adjustments	5 Proceeds of dispositions	6 UCC	7 50% rule on net acquisitions	8 Reduced UCC
24							
27							
29							
34							
Rental							
	10 Recapture of CCA	11 Terminal Loss loss	12 CCA	13 UCC at end of year			
24							
27							
29							
34							
Rental							
Total							

Totals:

Recapture	Enter in <u>650</u> on the CT23
Terminal loss	Enter in <u>650</u> on the CT23
CCA Claimed	85,333 Enter in <u>650</u> on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
EASTERN ONTARIO POWER INC	6194711	2003/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
PATHEON INCORPORATED LTD.	6194711	2003/12/31	9,558,039	5,607,019
PLANTAS INC. GROUP			100,000,000	500,000,000
Totals			109,558,039	505,607,019

(Transfer to 249 of the CT23) (Transfer to 250 of the CT23)

2001 PORT COLBORNE HYDRO CT23 TAX RETURN



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

CT23 Corporations Tax and Annual Return

For taxation years
commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)

Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return, together with the applicable schedules. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return (see page 2).

The Annual Return (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the Corporations Information Act for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? (Refer to Guide)

Yes ☐ No ☒

Page 1 of 24

Corporation's Legal Name (including punctuation) and Mailing Address

Port Colborne Hydro Inc.

380 Elm Street

Port Colborne

ON CA L3K-4P2

Has address changed since last filed CT23 Return? Yes ☐

Date of Change year month day

Registered/Head Office Address

380 Elm Street

Port Colborne

ON CA L3K-4P2

Location of Books and Records

380 Elm Street

Port Colborne

ON CA L3K-4P2

Name of person to contact regarding this CT23 Return

Telephone No.

Fax No.

PETER SENESE

905-835-2900

Address of Principal Office in Ontario (Extra-Provincial Corporations only)

(MCBS)

ON CA

Former Corporation Name (Extra-Provincial Corporations only)

(Not Applicable) ☒

(MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s)

0

If there is no change to the Directors/Officers/Administrators' information previously submitted to MCBS, please ☒ this box. Schedule(s) A and K are not required (MCBS).

☒ No change

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced year month day 2000-06-04

Ceased year month day

(Not Applicable) ☐

Preferred Language/Langue de préférence

English ☒ French ☐
anglais français

Ministry use



Certification (MCBS)

I certify that all information set out in the Annual Return is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

Title: ☐ Director ☐ Officer ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.

Port Colborne Hydro Inc.

6183530

2001-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 ☐ Canadian-controlled Private (CCPC) all year
(Generally a private corporation of which
50% or more shares are owned by
Canadian residents.) (fed.s.125(7)(b))

2 ☐ Other Private

3 ☐ Public

4 ☐ Non-share Capital

5 ☒ Other (specify)

Municipal Corp.

Share Capital with full voting rights
owned by Canadian Residents (nearest percent) %

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office no.)

If applicable, enter

Ontario Employer Health Tax Account No.
(Use Head Office no.)

If applicable, enter

Specify major business activity

2 1 ☐ Family Farm Corporation s.1 (2)
2 ☐ Family Fishing Corporation s.1 (2)
3 ☐ Mortgage Investment Corporation s.47
4 ☐ Credit Union s.51

5 ☐ Bank Mortgage Subsidiary s.61 (4)

6 ☐ Bank s.1 (2)

7 ☐ Loan and Trust Corporation s.61 (4)

8 ☐ Non-resident Corporation
s.2(2)(a) or (b)

9 ☐ Non-resident Corporation s.2(2)(c)

10 ☐ Mutual Fund Corporation s.48

11 ☐ Non-resident owned investment
Corporation s.49

12 ☐ Non-resident ship or aircraft under reciprocal
agreement with Canada s.28(b)

14 ☐ Bare Trustee Corporation

15 ☐ Branch of Non-residents s.63(1)

16 ☐ Financial institution prescribed by
Regulation only

17 ☐ Investment Dealer

18 ☐ Generator of electrical energy for sale or
producer of steam for use in the generation
of electrical energy for sale

19 ☐ Hydro successor, Municipal Electrical Utility
or subsidiary of either

20 ☐ Producer and seller of steam for uses other
than for the generation of electricity

21 ☐ Insurance Exchange s.74.4

22 ☐ Farm Feeder Finance Co-operative Corporation

23 ☐ Professional Corporation
(incorporated professionals only)

Please "X" box(es) if applicable:

☐ First Year of Filing

☐ Amended Return

☒ Taxation Year End has changed - Canada Customs
and Revenue Agency (formerly Revenue Canada)
approval required

☐ Final Taxation Year up to Dissolution (wind-up)

☐ Final Taxation Year before Amalgamation

☐ Floating Fiscal Year End

☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario

☐ Acquisition of Control fed s.249(4)

Date Control was acquired

year month day

Was the corporation inactive throughout the taxation year?

Yes No

☐ ☒

Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?

☒ ☐

Are you requesting a refund due to: the Carry-back of a Loss?

☐ ☒

an Overpayment?

☒ ☐

a Specified Refundable Tax Credit?

☐ ☒

are you a Member of a Partnership or Joint Venture?

☐ ☒

Income Tax

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16) ± From 690 -225,456.

Subtract: Charitable donations - 1 0.

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule) - 2 0.

Subtract: Taxable dividends deductible, per federal T2 SCH 3 - 3 0.

Subtract: Ontario political contributions (Attach schedule) - 4 0.

Subtract: Federal Part VI.1 tax 0. X 9/4 - 5 0.

Subtract: Prior years' losses applied - Non-capital losses - From 704 0.

Net capital losses

From 715

(page 17)

0. X

Inclusion rate

50.000000% =

Farm losses

Restricted farm losses

Limited partnership losses

From 704

From 714

From 724

From 734

From 754

From 10

0.

0.

0.

0.

0.

0.

Taxable income (Non-capital loss) - 10 -225,458.

Addition to taxable income for unused foreign tax deduction for federal purposes + 11 0.

Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) = 21 0.

Number of Days in Taxation Year

Taxable Income

From 10 (or 20 if applicable) 0. X 30

100.0000%

X 15.5000% X

Days before May 2, 2000 Total Days
22 0 ÷ 73 92

= + 23 0.

From 10 (or 20 if applicable) 0. X 30

100.0000%

X 14.5000% X

Days after May 1, 2000 and before Jan 1, 2001 Total Days
24 0 ÷ 73 92

= + 25 0.

From 10 (or 20 if applicable) 0. X 30

100.0000%

X 14.0000% X

Days after Dec 31, 2000 and before Oct 1, 2001 Total Days
26 0 ÷ 73 92

= + 27 0.

From 10 (or 20 if applicable) 0. X 30

100.0000%

X 12.5000% X

Days after Sept 30, 2001 and before Jan 1, 2003 Total Days
28 92 ÷ 73 92

= + 29 0.

From 10 (or 20 if applicable) 0. X 30

100.0000%

X 11.0000% X

Days after Dec 31, 2002 and before Jan 1, 2004 Total Days
31 0 ÷ 73 92

= + 32 0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) 50 0.

Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) + 51 0.

Add: Losses of other years deducted for federal purposes (fed.s.111) + 52 0.

Subtract: Losses of other years deducted for Ontario purposes (s.34) - 53 0.

Federal Business limit for the year before the application of fed.s.125(5.1) = 54 0.

(Not exceeding \$200,000) (Attach federal T2 SCH 23 if associated) + 55 0.

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

0 X Days after Dec 31, 2000 and before Oct 1, 2001 Total Days
0 0 ÷ 73 92

X From 55 0 ÷ 200,000 = + 42 0.

0 X Days after Sept 30, 2001 and before Jan 1, 2003 Total Days
0 0 ÷ 73 92

X From 55 0 ÷ 200,000 = + 43 0.

0 X Days after Dec 31, 2002 and before Jan 1, 2004 Total Days
0 0 ÷ 73 92

X From 55 0 ÷ 200,000 = + 46 0.

Ontario enhancement of federal business limit 42 + 43 + 46 = 44 0.

Business Limit for Ontario purposes 55 + 44 = 99 0.

Income eligible for the IDSBC From 30 100.0000% X 56 0 = 60 0.

* Ontario Allocation

Least of 50, 54 or 45

Note: Ontario Allocation for IDSBC purposes may differ from

30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

Continued on Page 5

Port Colborne Hydro Inc.

6183530

2001-12-31

DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

		Number of Days in Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000	Total Days		
7.00%	x	74	0 ÷ 73 = 92	= +	75 0000.
7.50%	x	76	0 ÷ 73 = 92	= +	77 0000.
6.50%	x	28	92 ÷ 73 = 92	= +	79 6 5000.
5.50%	x	31	0 ÷ 73 = 92	= +	89 0000.
IDSBC Rate for Taxation Year				75 + 77 + 79 + 89	78 6 5000.
Claim	From 60	0.	x From 78	6.5000%	70 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

**** Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

**** Taxable Income of the corporation** From **10** (or **20** if applicable) + **80** 0.

If you are a member of an associated group (X) **81** (Yes)

Name of associated corporation (Canadian & foreign)
(if insufficient space, attach schedule)

Ontario Corporations Tax
Account No. (MOF)
(if applicable)

Taxation Year End

Taxable income
(if loss, enter nil)

	+ 82	0.
	+ 83	0.
	+ 84	0.
Aggregate Taxable Income	80 + 82 + 83 + 84 , etc.	85 0.

		Number of Days in Taxation Year			
		Days before Jan 1, 2001	Total Days		
Subtract:	0 x	558	0 ÷ 73 = 92	= +	111 0.
	0 x	26	0 ÷ 73 = 92	= +	112 0.
	0 x	28	0 ÷ 73 = 92	= +	113 0.
	0 x	31	0 ÷ 73 = 92	= +	115 0.
				111 + 112 + 113 + 115 =	0.

(If negative, enter nil)

- 114	0.
= 86	0.

Calculation of Specified Rate for Surtax

		Number of Days in Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000	Total Days		
4.67%	x	74	0 ÷ 73 = 92	= +	92 0000.
5.00%	x	76	0 ÷ 73 = 92	= +	93 0000.
4.3330%	x	28	92 ÷ 73 = 92	= +	95 4.3330.
3.6670%	x	31	0 ÷ 73 = 92	= +	96 0000.
Specified rate of surtax for Taxation Year				92 + 93 + 95 + 96	94 0000.
From 86	0.	x From 94	0.0000%	=	87 0.
From 87	0.	x From 60	0.	=	88 0.
Surtax Lesser of 70 or 88				=	100 0.

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Income Tax continued from Page 5**Additional Deduction for Credit Unions (s.51(4))** (Attach schedule)

110 0.00

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits (if) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and) the total active business income is \$250,000 or less.

Eligible Canadian Profits	+	120	0.00
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	-	From 56	0.00
Add: Adjustment for Surtax on Canadian-controlled private corporations			
From 100	0.00	From 30	100.0000
		From 78	6.5000
			% = 121
			0.00
Lesser of 56 or 121	+	122	0.00
120 - 56 + 122	=	130	0.00
Taxable Income	+	From 10	-225,458.00
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	-	From 56	0.00
Add: Adjustments for Surtax on Canadian-controlled private corporations	+	From 122	0.00
Subtract: Taxable Income From 10 -225,458.00 X Allocation % to jurisdictions outside Canada .0000 %	-	140	0.00
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses	-	141	0.00
0 - 56 + 122 - 140 - 141	=	142	0.00

Number of Days in Taxation Year

Claim	Days before Oct 1, 2001	Total Days	
143	0	73	92
0.00 X From 30	100.0000	% X 2.0000	% X 152
			0 ÷ 73 = 153
Lesser of 130 or 142			0.00
	Days after Sept 30, 2001 and before Jan 1, 2003	Total Days	
0.00 X From 30	100.0000	% X 1.5000	% X 28
			0 ÷ 73 = 154
Lesser of 130 or 142			0.00
	Days after Dec 31, 2002 and before Jan 1, 2004	Total Days	
143	0	73	92
0.00 X From 30	100.0000	% X 1.0000	% X 31
			0 ÷ 73 = 155
Lesser of 130 or 142			0.00
M&P claim for taxation year	153 + 154 + 155		= 160
			0.00

*Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 0.00

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity = 162 0.00

Credit for Foreign Taxes Paid (s.40)
☐ Yes if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) (Attach schedule).

170 0.00

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0.00 Credit Claimed 180 0.00

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190 0.00

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Income Tax *continued from Page 6***Specified Tax Credits** *(Refer to Guide)***Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies to research and development in Ontario.*Eligible Credit From **5620** OITC Claim Form (Attach original Claim Form) + **191** 0.**Co-operative Education Tax Credit (CETC) (s.43.4)** *Applies to employment of eligible students.*Eligible Credit From **5799** Summary Schedule F + **192** 0.**Ontario Film & Television Tax Credit (OFTTC) (s.43.5)***Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.*Eligible Credit From **5899** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **193** 0.**Graduate Transitions Tax Credit (GTTC) (s.43.6)***Applies to employment of eligible unemployed graduate students.*Eligible Credit From **6599** Summary Schedule G + **195** 0.No. of Graduates From **6596****194** 0.**Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)***Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.*Eligible Credit From **6900** OBPTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) + **196** 0.**Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)***Applies to labour relating to computer animation and special effects on an eligible production.*Eligible Credit From **6700** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **197** 0.**Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)***Applies to qualifying R&D expenditures under an eligible research institute contract.*Eligible Credit From **7100** OBRITC Claim Form (Attach original Claim Form) + **198** 0.**Ontario Production Services Tax Credit (OPSTC) (s.43.10)***Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.*Eligible Credit From **7300** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **199** 0.**Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)***Applies to qualifying labour expenditures of eligible products for the taxation year.*Eligible Credit From **7400** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **200** 0.**Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)***Applies to qualifying expenditures in respect of eligible Canadian sound recordings.*Eligible Credit From **7500** OSRTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) + **201** 0.Other (specify) + **201.1** 0.**Total Specified Tax Credits** **191** + **192** + **193** + **195** + **196** + **197** + **198** + **199** + **200** + **201** + 201.1 = **220** 0.**Specified Tax Credits Applied to reduce Income Tax** = **225** 0.**Income Tax** **190** - **225** OR Enter NIL if reporting Non-Capital Loss = **230** 0.To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on **Page 18**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Capital Tax (Refer to Guide)

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets

must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+	350	4,234,195.
Retained earnings (if deficit, deduct)	±	351	11,407.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	4,158,106.
Loans and advances (Attach schedule)	+	353	4,725,070.
Bank loans	+	354	0.
Bankers acceptances	+	355	0.
Bonds and debentures payable	+	356	475,000.
Mortgages payable	+	357	0.
Lien notes payable	+	358	0.
Red credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+	359	0.
Contingent, investment, inventory and similar reserves	+	360	0.
Other reserves not allowed as deductions for income tax purposes (Attach schedule)	+	361	504,437.
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))	+	362	0.
Subtotal	=	370	14,108,215.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)	-	371	0.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	-	372	0.
Total Paid-up Capital	=	380	14,108,215.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	-	381	0.
Net Paid-up Capital	=	390	14,108,215.

Eligible Investments (Refer to Guide)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 (Refer to Guide)

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) (Refer to Guide)	+	404	0.
Loans and advances to unrelated corporations	+	405	0.
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	+	406	0.
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	+	407	0.
Total Eligible Investments	=	410	0.

continued on Page 10

Capital Tax *continued from Page 9*
Total Assets

Total Assets per balance sheet	+	420	11,730,572.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	11,730,572.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	0.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	11,730,572.

Investment Allowance (410 + 450) × 390	Not to exceed	410	=	460	11,730,572.
Taxable Capital 390 - 460			=	470	14,108,218.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	11,730,572.
Total Assets (as adjusted)	From 430	11,730,572.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important:

- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: If the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

- B1** If the taxation year end is before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B2** If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B3** If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.
- B4** If taxable capital, 470 on page 10 is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

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Capital Tax Calculation *continued from page 10*

B5 If taxable capital, 470 exceeds \$2,000,000 but is \$5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. X .3000% = + 490 0.

Deduct:

From 470

\$2,400,000 - 0. X 1.5% = - 492 0.

(504 = 490 - 492) = 504 0. X From 30 100.0000% X 0. = + 505 0.

Ontario Allocation ** 365
(366 if leap year)

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. X .3000% = + 490 0.

Deduct:

From 470

\$2,800,000 - 0. X 0.75% = - 493 0.

(506 = 490 - 493) = 506 0. X From 30 100.0000% X 0. = + 507 0.

Ontario Allocation ** 365
(366 if leap year)

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. X .3000% = + 490 0.

Deduct:

From 470

\$3,200,000 - 0. X 0.5% = - 495 0.

(509 = 490 - 495) = 509 0. X From 30 100.0000% X 0. = + 522 0.

Ontario Allocation ** 365
(366 if leap year)

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 554

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is \$5,000,000 or less and that is not associated, is NIL.

Total Capital Tax for the taxation year 505 + 507 + 522 = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

B6 If 470 exceeds \$5,000,000, complete the following calculations and transfer the amount from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 14,108,215. X From 30 100.0000% X .3000% X 0. = + 502 0.

Ontario Allocation ** 365
(366 if leap year)

Days in taxation year before Oct 1, 2001 559

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 14,108,215.

Exemption - 5,000,000.

= 471 9,108,215. X From 30 100.0000% X .3000% X 92 = + 523 6,887.

Ontario Allocation ** 365
(366 if leap year)

Days in taxation year after Sept 30, 2001 560

Total Capital Tax for the taxation year 502 + 523 = 508 6,887.

Transfer to 543 on page 13 and complete the return from that point.

** If floating taxation year, refer to Guide.

continued on Page 12

Capital Tax Calculation *continued from page 11*

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and (x) ☐ 510 ☒ (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation + From 0.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada

Taxable Capital

Aggregate Taxable Capital + = 0.

If above is \$5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.

Enter NIL in in E1(d) or E2(b), as applicable.

If above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 0. ÷ From 0. x = 0.

Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners with no permanent establishment in Canada

Taxable Capital

Total Aggregate Taxable Capital + = 0.

If is greater than \$2,000,000 and less than \$3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 0. ÷ From 0. = 0000.

Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at is \$2,000,000 or less.

Enter NIL in and complete the return from that point.

Capital Tax Calculation *continued from Page 12***SECTION E**

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 exceeds \$2,000,000.

E1: If the total aggregate taxable capital 520 exceeds \$2,000,000 but is \$3,200,000 or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

\$2,400,000 - From 520 0. x 1.5% x From 521 .0000 = - 492 0.

(504 = 490 - 492) = 504 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

If 2,400,000 - 520 is negative, enter NIL in 492

From 30 100.0000% x 0 = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

\$2,800,000 - From 520 0. x 0.75% x From 521 .0000 = - 493 0.

(506 = 490 - 493) = 506 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

If 2,800,000 - 520 is negative, enter NIL in 493

From 30 100.0000% x 0 = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

\$3,200,000 - From 520 0. x 0.5% x From 521 .0000 = - 495 0.

(509 = 490 - 495) = 509 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 557

If 3,200,000 - 520 is negative, enter NIL in 495

From 30 100.0000% x 0 = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is \$5,000,000 or less is NIL. Enter NIL.

..... = + 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 = 508 0.

Transfer to 543 and complete the return from that point.

E2: If the total aggregate taxable capital at 620 exceeds \$3,200,000 complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 0. x From 30 100.0000% x .3000% x Days in taxation year before Oct 1, 2001 555 = + 502 0.

Ontario Allocation ** 365 (366 if leap year)

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

b) From 470 0.

From 541 (section C) - 0.

= 471 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Sept 30, 2001 560

From 30 100.0000% x .3000% x 92 = + 523 0.

Total Capital Tax for the taxation year 502 + 523 = 508 0.

** If floating taxation year, refer to Guide.

Transfer to 543 and complete the return from that point.

Capital Tax before application of specified credits = 543 6,887.

Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide) = 546 0.

Capital Tax 543 - 546 = 550 6,887.

Transfer to Page 18

continued on Page 14

Capital Tax continued from page 13

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing after May 4, 1999 enter NIL in **550** on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)

565 **565** **0.** x **0.00%** X From **30** **0.** % X **555** **0.** + **0** (366 if leap year) = + **569** **0.**

Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1

Ontario Allocation

570 **570** **0.** x **571** **0.00%** X From **30** **0.** % X **555** **0.** + **0** (366 if leap year) = + **574** **0.**

Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount

Capital Tax Rate (Refer to Guide)

Ontario Allocation

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) **569** + **574** = **575** **0.**

**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments - **585** **0.**

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions **575** - **585** = **586** **0.**

Transfer to **543** on Page 13

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

(1) Uninsured Benefits Arrangements **587** **0.** x 2% = **588** **0.**

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in **588** and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in **588**.)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide) - **589** **0.**

Premium Tax **588** - **589** = **590** **0.**

Transfer to page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1

+ 600 -225,458.

Transfer to page 16

Add:

Federal capital cost allowance	+ 601	159,453.
Federal cumulative eligible capital deduction	+ 602	31,939.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.
Management fees, rents, royalties and similar payments to non-arm's length non-residents		

Number of Days in Taxation Year

		Days before May 2, 2000	Total Days	
612	0. x 5 ÷ 15.5000 x	22	0 ÷ 73 92	= + 630 0.

		Days after May 1, 2000 and before Jan 1, 2001		Total Days	
612	$0. \times 5 \div 14.5000 \times$	24	$0 \div 73$	92	$= + 631$

	Days after Dec 31, 2000 and before Oct 1, 2001	Total Days	
0. x 5 ÷ 14.0000 x	26 0 ÷ 73 92	= + 632	0.

	Days after Sept 30, 2001 and before Jan 1, 2003	Total Days	
612 0. x 5 ÷ 12.5000 x	28 92 ÷ 73 92	= + 633 0.	

	Days after Dec 31, 2002 and before Jan 1, 2004	Total Days	
<div>612</div> <div>0. x 5 ÷ 11.0000 x</div>	<div>31</div> <div>0 ÷ 73</div> <div>92</div>	<div>= +</div> <div>634</div>	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally (Attach schedule) + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T681 0.

0 Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 + 0.
= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 = 191,392. 640 191,392.

Transfer to page 16

continued on Page 16

Port Colborne Hydro Inc.

6183530

2001-12-31

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 From \pm **600** -225,458.

Subtotal of Additions From \pm **640** 191,392.

Deduct:

Ontario capital cost allowance	.....	650	<u>159,453.</u>
Ontario cumulative eligible capital deduction	.....	651	<u>31,939.</u>
Federal taxable capital gain	.....	652	<u>0.</u>
Ontario non-allowable reserves. Balance beginning of year	.....	653	<u>0.</u>
Ontario allowable reserves. Balance end of year	.....	654	<u>0.</u>
Federal non-allowable reserves. Balance end of year	.....	655	<u>0.</u>
Federal allowable reserves. Balance beginning of year	.....	656	<u>0.</u>
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	.....	657	<u>0.</u>
Ontario depletion allowance	.....	658	<u>0.</u>
Ontario resource allowance	.....	659	<u>0.</u>
Ontario research and development super allowance (Attach schedule)	.....	660	<u>0.</u>
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	.....	674	<u>0.</u>
Ontario current cost adjustment (Attach schedule)	.....	661	<u>0.</u>

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year **662** 0.

ONTTI Gross-up deduction calculation:

From 662 <u>0.</u> x 100 <u>0.0000</u>	- From 662 <u>0.</u>	= 663 <u>0.</u>
Ontario Allocation		

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 <u>0.</u> x 30.00% x 100 <u>0.0000</u>	= 666 <u>0.</u>
Ontario Allocation	

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 <u>0.</u> x 100.00% x 100 <u>0.0000</u>	= 668 <u>0.</u>
Ontario Allocation	

Number of Employees accommodated **669** 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) (Refer to Guide)

Qualifying expenditures: 670 <u>0.</u> x 30.00% x 100 <u>0.0000</u>	= 671 <u>0.</u>
Ontario Allocation	

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 <u>0.</u> x 15.00% x 100 <u>0.0000</u>	= 673 <u>0.</u>
Ontario Allocation	

Ontario allowable business investment loss **678** 0.

Ontario Scientific Research Expenses claimed in the year from Ontario form CT161 ... **679** 0.

Total of other deductions allowed by Ontario (Attach schedule) **684** 0.

Subtotal of Deductions

650 to **660** + **674** + **681** + **683** + **686** + **688** + **671** + **673** + **678** + **679** + **684** = **680** 191,392.

Net income (loss) for Ontario Purposes **600** + **640** - **680** = **690** -225,458.

Transfer to Page 4

Port Colborne Hydro Inc.

6183530

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DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (5)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add:						
Current year's losses (7)	701 225,458	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0	742 0	752 0
Subtotal	703 225,458	713 0	723 0	733 0	743 0	753 0
Subtract:						
Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0	716 0	725 0	735 0	745 0	755 0
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	756 0
	707 0	717 0	727 0	737 0	747 0	757 0
Subtotal	708 0	718 0	728 0	738 0	748 0	758 0
Balance at End of Year	709 (8) 225,458	719 0	729 0	739 0	749 0	759 0

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only. Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (5) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (6) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (7) Amount in 709 must equal total of 829 + 839.
- (8) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (9) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993-09-30	820 0	830 0	840 0	850 0	870 0
801 1994-09-30	821 0	831 0	841 0	851 0	871 0
802 1995-09-30	822 0	832 0	842 0	852 0	872 0
803 1996-09-30	823 0	833 0	843 0	853 0	873 0
804 1997-09-30	824 0	834 0	844 0	854 0	874 0
805 1998-09-30	825 0	835 0	845 0	855 0	875 0
806 1999-09-30	826 0	836 0	846 0	856 0	876 0
807 2000-09-30	827 0	837 0	847 0	857 0	877 0
808 2001-09-30	828 0	838 0	848 0	858 0	878 0
809 2001-12-31	829 225,458	839 0	849 0	859 0	879 0
Total	829 225,458	839 0	849 0	859 0	879 0

Port Colborne Hydro Inc.

6183530

2001-12-31

DOLLARS ONLY

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Ministry of Finance.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 1) the first day of the taxation year after the loss year,
 - 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a predecessor corporation, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 225,458	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF)				
Taxation Year Ending year month day				
(i) 3rd preceding	901 0	921 0	931 0	941 0
(ii) 2nd preceding	902 0	922 0	932 0	942 0
(iii) 1st preceding	903 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 225,458	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320	0
Corporate Minimum Tax	+ From 280	0
Capital Tax	+ From 550	6,887
Premium Tax	+ From 530	0
Total Tax Payable	= 950	6,887
Subtract: Payments	960	30,900
Capital Gains Refund (s.48)	- 965	0
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- 985	0
Specified Tax Credits (Refer to Guide)	- 955	0
Other (specify)	-	0
Balance	= 970	-24,013
If payment due	Enclosed * 990	0
If overpayment: Refund (Refer to Guide)	= 975	24,013
year month day		
Apply to	980	0

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the MINISTER OF FINANCE and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

KAY ANDERSON

Title

ACCOUNTANT

Full Residence Address

Signature

Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Port Colborne Hydro Inc.

6183530

2001-12-31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP)

± 2100 -167,429.

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes	+	2101	0.
Provision for deferred income taxes (credits)	+	2102	17,516.
Equity income from corporations	+	2103	0.
Share of partnership(s)/joint venture(s) income	+	2104	0.
Dividends received/receivable deductible under fed.s.112	+	2105	0.
Dividends received/receivable deductible under fed.s.113	+	2106	0.
Dividends received/receivable deductible under fed.s.83(2)	+	2107	0.
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1)	+	2108	0.

Subtotal = 17,516. 2109 17,516.

Add (to extent reflected in net income/loss):

Provision for current taxes	+	2110	2,330.
Provision for deferred income taxes (debits)	+	2111	0.
Equity losses from corporations	+	2112	0.
Share of partnership(s)/joint venture(s) losses	+	2113	0.
Dividends that have been deducted to arrive at net income per Financial Statements. Applies to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+	2114	0.

Subtotal = 2,330. 2115 2,330.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+	2116	0. or -	2117	0.
** Fed.s.85.1	+	2118	0. or -	2119	0.
** Fed.s.97	+	2120	0. or -	2121	0.
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+	2122	0. or -	2123	0.
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+	2124	0. or -	2125	0.
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+	2126	0. or -	2127	0.

Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income

- 2150 0.

Subtotal (Additions) = 0. 2128 0.

Subtotal (Subtractions) = 0. 2129 0.

** Other adjustments ± 2130 0.

Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130 = 2131 -182,615.

** Share of partnership(s)/joint venture(s) adjusted net income/loss ± 2132 0.

Adjusted net income (loss) (if loss, transfer to 2202 in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.) = 2133 -182,615.

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.
* CMT losses: other eligible losses + From 2211 0.
= 2134 0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base = 2135 0.

Transfer to CMT Base on Page 8

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward



Balance at Beginning of year (1), (2)	.....	+	2201	0.
Add: Current year's losses	.....	+	2202	182,615.
Losses from predecessor corporations on amalgamation (3)	.....	+	2203	0.
Losses from predecessor corporations on wind-up (3)	.....	+	2204	0.
Amalgamation (x) 2205 <input type="checkbox"/> Yes	Wind-up (x) 2206 <input type="checkbox"/> Yes			
Subtotal	.....	=	182,615.	182,615.
Adjustments (attach schedule)	.....	±	2208	0.
CMT losses available	2201 + 2207 ± 2208	=	2209	182,615.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	.....	+	2210	0.
Other eligible losses utilized during the year to reduce adjusted net income (4)	.....	+	2211	0.
Losses expired during the year	.....	+	2212	0.
Subtotal	.....	=	0.	0.
Balance at End of Year (5)	2209 - 2213	=	2214	182,615.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2213 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240 2000-12-31	2260 0	2280 0
2241 2001-12-31	2261 182,615	2281 0
2242	2262 0	2282 0
2243	2263 0	2283 0
2244	2264 0	2284 0
2245	2265 0	2285 0
2246	2266 0	2286 0
2247	2267 0	2287 0
2248	2268 0	2288 0
2249	2269 0	2289 0
Totals	2270 182,615	2290 0

The sum of amounts 2270 + 2290
must equal amount in 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers



Balance at Beginning of year (1) + 2301 0.

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) + From 280 0.
 CMT Credit Carryovers from predecessor corporations (2) + 2302 0.
 Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes

Subtotal = 0. + 2305 0.

Adjustments (Attach schedule) ± 2306 0.

CMT credit carryover available 2301 + 2305 ± 2306 = 2307 0.
Transfer to Page 1

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 0.
 CMT Credit expired during the year + 2308 0.

Subtotal = 0. - 2309 0.

Balance at End of Year (3) 2307 - 2309 = 2310 0.

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2000-12-31	2360 0	2380 0
2341	2001-12-31	2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390
 must equal amount in 2310.

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? (Y/N) N

1	2	3	4	5	6	7	8	9	10	11	12	13
Class number	Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	Cost of acquisitions during the year (new property must be available for use)	Net adjustments (show negative amounts in brackets)	Proceeds of dispositions during the year (amount not to exceed the capital cost)	Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)	Reduced undepreciated capital cost (column 6 minus column 7)	CCA rate %	Recapture of capital cost allowance	Terminal loss	Ontario capital cost (column 8 multiplied by column 9; or a lower amount)	Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	0	0	9,918,259	0	9,918,259	0	9,918,259	4	0	0	99,998	9,818,261
8	0	0	534,974	0	534,974	0	534,974	20	0	0	26,969	508,005
10	0	0	379,617	0	379,617	0	379,617	30	0	0	28,705	350,912
12	0	0	15,000	0	15,000	0	15,000	100	0	0	3,781	11,219
Total	0	0	10,847,850	0	10,847,850	0	10,847,850		0	0	159,453	10,688,397
Enter in boxes [650]										[650]	[650] on the CR23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3.

List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Cumulative Eligible Capital Deduction Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name Port Colborne Hydro Inc.	Ontario Corporations Tax Account No. (MOF) 6183530	Taxation Year End 2001-12-31
-------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) **0**^A

Add: Cost of eligible capital property acquired during the taxation year + **2,413,596**^B
Amount transferred on amalgamation or wind-up of subsidiary + **0**^C
Other adjustments + **0**^D

Total of B + C + D = **2,413,596** X 0.75 = **1,810,197**^E

Subtotal A + E = **1,810,197**^F

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + **0**^G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada) + **0**^H
Other adjustments + **0**^I

Total of G + H + I = **0** X 0.75 = **0**^J

Ontario cumulative eligible capital balance F - J = **1,810,197**^K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction **1,810,197**^K X 7.00% * = **31,939**^L

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box **651** of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = **1,778,258**^M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line K is negative

Amount from line K above (show as a positive amount) **0**^N

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 **0**¹

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA **0**²

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 **0**³

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 **0**⁴

Line 3 deduct line 4 **0**⁵

Total lines 1 + 2 + 5 **0**⁶

Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000 **0**⁷

Deduct line 7 from line 6 **0**⁸

N - O (cannot be negative) **0**^P

Amount on line 5 **0** X 1/2 **0**^Q

P - Q **0**^R

Amount on line R **0** X 2/3 * **0**^S

Lesser of line N or line O **0**^T

Amount to be included in income S + T **0**

* Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

2001 NOTICE OF ASSESSMENT



CORPORATION NOTICE OF ASSESSMENT

St. John's NF A1B 3Z1

0001562

Page 1 of 8

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date of mailing
July 31, 2002
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2001

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	121.01
Prior balance:	\$	0.00
		=====
Total balance:	\$	121.01

We will not charge additional interest on the total balance shown if you pay the full amount by August 20, 2002.

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF ASSESSMENT

0001563

Page 3 of 8

CANADIAN NIAGARA POWER INC

Date of mailing July 31, 2002
Business Number 87249 8225 RC0001
Taxation year-end December 31, 2001

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	89,312.00	89,312.00 ✓
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		=====
Instalment(s) applied		\$ 89,312.00
		89,312.00 Cr
Interest:		
Arrears interest		
	Net balance: \$	0.00
		=====
		121.01
		=====
	Result of this assessment: \$	121.01
	Prior balance: \$	0.00
		=====
	Total balance: \$	121.01

Rob Wright
Commissioner of Customs and Revenue

EXPLANATION

We have adjusted the amount of payments to agree with the amount in our records. On your return, the total amount of payments is \$65,592.00 while the amount in our records is \$89,312.00.

We have charged arrears interest from February 28, 2002 on the amount that was unpaid on that date.

We have identified your corporation as a "large corporation" under subsection 225.1(8) of the "Income Tax Act" (the Act). According to subsection 225.1(7), if a large corporation is assessed an amount under the Act, we can take action to collect half of this amount before the end of the 90-day period the corporation has to make an objection or appeal. After this period is over, we can take action to collect the unpaid amount, except for half of the amount the corporation objected to or appealed.

Our records show that you have not paid half of the total amount of taxes, penalties, and interest assessed. Please pay this amount immediately. If you are unable to do so, please contact the collections section of the tax services office serving your corporation within 20 days of the date we mailed your "Notice of Assessment" or "Notice of Reassessment."

If you have already paid the amount required, please accept our thanks. However, if you made the payment more than 15 days ago, please contact us.

For your information we have attached a statement explaining how we have calculated interest.

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.ccra-adrc.gc.ca.

STATEMENT OF INTEREST CALCULATED

John's NF A1B 3Z1

0001566

Page 1 of 2

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date
July 31, 2002
Business Number
87249 8225 RC0001

For further information, contact:

St. John's Tax Centre
Freshwater Rd and Empire Ave
St. John's NF A1B 3Z1
Phone (709) 772-6888
Fax (709) 772-3834
Toll-Free Long Distance Number 1-888-832-1728

Program: Corporation Income Tax Filing Date: June 27, 2002
Reporting Period End: December 31, 2001 Balance Due Date: February 28, 2002

Summary of Interest:
Arrears interest 121.01
Total 121.01

Instalment Base Amounts

Reporting period starting	Jan. 1, 2001	Jan. 1, 2000	Feb. 17, 1999
Reporting period ending	Dec. 31, 2001	Dec. 31, 2000	Dec. 31, 1999
Effective date	Jan. 1, 2001	Jan. 1, 2000	Jan. 1, 2000
Federal tax	89,312.00	65,591.00	84,629.49
Provincial tax	0.00	0.00	0.00
Current tax credits	0.00	0.00	0.00
Instalment base	89,312.00	65,591.00	84,629.49

The reporting period ending December 31, 1999 is less than 12 months. To determine the instalment base amount for that period, we have calculated the 12-month equivalent. We multiplied the amount of tax payable by 365 and divided this amount by the number of days in the reporting period.

We have calculated your required instalment payments. You had to make 012 payments of \$5,465.91 based on the reporting period ending December 31, 2000.

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Jan. 31, 2001 0000 0000		0.00	Payment received	7,053.00 Cr	7,053.00 Cr
Jan. 31, 2001 0000 0000		0.00	Payment due	5,465.91	1,587.09 Cr
Feb. 28, 2001 0028 0010		12.22 Cr	Payment received	7,053.00 Cr	8,652.31 Cr
Feb. 28, 2001 0000 0000		0.00	Payment due	5,465.91	3,186.40 Cr
March 30, 2001 0030 0010		26.29 Cr	Payment received	7,053.00 Cr	10,265.69 Cr
March 31, 2001 0001 0010		2.81 Cr	Payment due	5,465.91	4,802.59 Cr
April 30, 2001 0030 0010		39.63 Cr	Payment received	7,053.00 Cr	11,895.22 Cr
April 30, 2001 0000 0000		0.00	Payment due	5,465.91	6,429.31 Cr
May 31, 2001 0031 0010		54.83 Cr	Payment received	7,053.00 Cr	13,537.14 Cr
May 31, 2001 0000 0000		0.00	Payment due	5,465.91	8,071.23 Cr
June 29, 2001 0029 0010		64.37 Cr	Payment received	7,053.00 Cr	15,188.60 Cr
June 30, 2001 0001 0010		4.16 Cr	Payment due	5,465.91	9,726.85 Cr
July 31, 2001 0031 0009		74.63 Cr	Payment due	5,465.91	4,335.57 Cr
Aug. 31, 2001 0031 0009		33.26 Cr	Payment received	1,410.00 Cr	5,778.83 Cr
Aug. 31, 2001 0000 0000		0.00	Payment due	5,465.91	312.92 Cr
Sep. 30, 2001 0030 0009		2.32 Cr	Payment received	5,466.00 Cr	5,781.24 Cr
Sep. 30, 2001 0000 0000		0.00	Payment due	5,465.91	315.33 Cr
Oct. 31, 2001 0031 0009		2.42 Cr	Payment received	5,466.00 Cr	5,783.75 Cr
Oct. 31, 2001 0000 0000		0.00	Payment due	5,465.91	317.84 Cr
Nov. 30, 2001 0030 0009		2.36 Cr	Payment received	5,466.00 Cr	5,786.20 Cr



STATEMENT OF INTEREST CALCULATED

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CANADIAN NIAGARA POWER INC

Date
July 31, 2002
Business Number
87249 8225 RC0001

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Nov. 30, 2001	0000 0000	0.00	Payment due	5,465.91	320.29 Cr
Dec. 31, 2001	0031 0009	2.46 Cr	Payment received	5,466.00 Cr	5,788.75 Cr
Dec. 31, 2001	0000 0000	0.00	Payment due	5,465.91	322.84 Cr
Jan. 31, 2002	0031 0007	1.92 Cr	Transfer received	5,466.00 Cr	5,790.76 Cr
Feb. 28, 2002	0028 0007	31.18 Cr	Transfer received	5,466.00 Cr	11,287.94 Cr
Feb. 28, 2002	0000 0000	0.00	Balance due date		11,287.94 Cr
		0.00	Total Instalment Interest		

Arrears/Refund Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Feb. 28, 2002	0000 0000	0.00	Part I.3 tax	89,312.00	89,312.00
Feb. 28, 2002	0000 0000	0.00	Instalment payment	76,524.00 Cr	12,788.00
March 28, 2002	0028 0007	68.85	Transfer received	5,466.00 Cr	7,390.85
March 31, 2002	0003 0007	4.25			7,395.10
April 30, 2002	0030 0006	36.56	Transfer received	5,466.00 Cr	1,965.66
May 31, 2002	0031 0006	10.04	Transfer received	1,856.00 Cr	119.70
June 30, 2002	0030 0006	0.59			120.29
July 31, 2002	0031 0007	0.72	Last interest date		121.01
		121.01	Total Arrears Interest		

2001 NOTICE OF REASSESSMENT

CORPORATION NOTICE OF REASSESSMENT

0000620

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CANADIAN NIAGARA POWER INC

Date of mailing
March 25, 2003
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2001

SUMMARY OF REASSESSMENT

	\$ Previous	\$ Reassessed	\$ Adjustment
Federal Tax:			
Part I	0.00	0.00	0.00
Part I.3	89,312.00	89,312.00	0.00
Part II	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
Total Federal Tax Adjustment:			\$ 0.00
		Net balance:	\$ 0.00
		Result of this reassessment:	\$ 0.00
		Result of reassessment for reporting period ending December 31, 2000 :	\$ 0.00
		Result of reassessment for reporting period ending December 31, 1999 :	\$ 1.24
		Prior balance:	\$ 0.00
		Total balance:	\$ 0.00

Rob Wright
Commissioner of Customs and Revenue

EXPLANATION

We have provided additional explanations of this reassessment in our letter which has been mailed under separate cover.

We have revised the cumulative eligible capital balance at the beginning of the year to \$47,865.00, to agree with our records.

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.ccra-adrc.gc.ca.

If you require further information, contact:

St. John's Tax Centre
Freshwater Rd and Empire Ave
St. John's NL A1B 3Z3
Phone (709) 772-6888
Fax (709) 772-3834
Toll-Free Long Distance Number 1-888-832-1728
We accept collect calls.

St. Catharines Tax Services Office
P. O. Box 3038 32 Church Street
St. Catharines ON L2R 3B9
Toll-Free Long Distance Number 1-800-959-5525



CORPORATION NOTICE OF REASSESSMENT

St. John's NL A1B 3Z1

0000619

Page 1 of 6

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date of mailing
March 25, 2003
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2001

RESULTS

This notice explains the results of our reassessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment :	\$	0.00
Result of reassessment for reporting		
period ending December 31, 2000 :	\$	0.00
Result of reassessment for reporting		
period ending December 31, 1999 :	\$	1.24
Prior balance:	\$	0.00
	=====	
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.



CANADIAN NIAGARA POWER INC.
1130 BERTIE STREET,

FORT ERIE ON L2A5Y2

Taxation Year Année d'imposition dd/mm/yyyy 31 | 12 | 2001	Account Number Numéro de compte 872498225RC
Tax Services Office Bureau des services fiscaux 16 - St. Catharines	
Your Notice of Re-Assessment is: Votre avis de nouvelle cotisation:	
Enclosed / Ci-joint	<input type="checkbox"/>
Being mailed to you Vous est expédié par la poste	<input checked="" type="checkbox"/>

YOUR INCOME TAX RETURN FOR THE TAXATION YEAR INDICATED ABOVE HAS BEEN RE-ASSESSED. THE FOLLOWING IS AN EXPLANATION OF THE CHANGE(S) MADE:

VOTRE DÉCLARATION D'IMPÔT POUR L'ANNÉE D'IMPOSITION SUSINDIQUÉE A FAIT L'OBJET D'UNE NOUVELLE COTISATION. VOUS TROUVEREZ CI-APRÈS LES EXPLICATIONS CONCERNANT LE OU LES CHANGEMENTS EFFECTUÉS.

Previous Net Income (Loss) for Tax purposes -\$91,312

Adjustments to Active Business Income
Deduct:

INCREASED CAPITAL COST ALLOWANCE ALLOWED	-\$129,262	
CUMULATIVE ELIGIBLE CAPITAL DEDUCTION	-3,351	
		<u>-132,613</u>

Revised Net Income (Loss) for Tax Purposes -\$223,925

Note: See schedules attached re: revised capital cost allowance, cumulative eligible capital deduction and continuity of non-capital losses forward.

See Appendix 1

For additional information contact the local taxation office indicated above. You can find the telephone numbers in the Government of Canada listings of your telephone book or in the T2 Corporation Income Tax Guide.

Pour de plus amples renseignements, communiquez avec le bureau d'impôt local susindiqué. Vous trouverez les numéros de téléphones dans les inscriptions du Gouvernement du Canada de votre annuaire téléphonique ou dans le guide T2 - Déclaration de revenus des corporations.

2002 NOTICE OF ASSESSMENT



CORPORATION NOTICE OF ASSESSMENT

0001242

Page 3 of 8

CANADIAN NIAGARA POWER INC

Date of mailing March 28, 2003
Business Number 87249 8225 RC0001
Taxation year-end July 10, 2002

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	47,051.00	47,051.00 ✓
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		=====
Instalment(s) applied		47,051.00
		<i>% May & Jan / 02</i> → 9,076.00 Cr
		=====
Net balance:	\$	37,975.00
		=====
Interest:		
Instalment interest		490.39 ?
Arrears interest		1,496.23 ,
		=====
Result of this assessment:	\$	39,961.62
Prior balance:	\$	0.00
		=====
Total balance:	\$	39,961.62

Rob Wright
Commissioner of Customs and Revenue

EXPLANATION

We have revised the net income or loss for tax purposes to agree with the calculated amount.

We have revised the gross Part I.3 tax to \$47,051.00, to agree with the calculated amount.

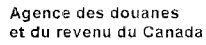
We have adjusted the amount of payments to agree with the amount in our records. On your return, the total amount of payments is \$168,610.00 while the amount in our records is \$9,076.00.

We have charged instalment interest because one or more of your instalment payments were late or insufficient. You had to make 006 payments of \$3,920.91 based on the reporting period ending July 10, 2002.

We have charged arrears interest from September 10, 2002 on the amount that was unpaid on that date.

We have identified your corporation as a "large corporation" under subsection 225.1(8) of the "Income Tax Act" (the Act). According to subsection 225.1(7), if a large corporation is assessed an amount under the Act, we can take action to collect half of this amount before the end of the 90-day period the corporation has to make an objection or appeal. After this period is over, we can take action to collect the unpaid amount, except for half of the amount the corporation objected to or appealed.

Our records show that you have not paid half of the total amount of taxes, penalties, and interest assessed. Please pay this amount immediately. If you are unable to do so, please contact the collections section of the tax services office serving your corporation within 20 days of the date we mailed your "Notice of Assessment" or "Notice of Reassessment."



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Page 1 of 8

Date of mailing
March 28, 2003
Business Number
87249 8225 RC0001
Taxation year-end
July 10, 2002

Please refer to the Summary and Explanation for additional information.

STATEMENT OF INTEREST CALCULATED

St John's NL A1B 3Z1

0001245

Page 1 of 2

Date March 28, 2003
Business Number 87249 8225 RC0001

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

For further information, contact:

St. John's Tax Centre
Freshwater Rd and Empire Ave
St. John's NL A1B 3Z1
Phone (709) 772-6888
Fax (709) 772-3834
Toll-Free Long Distance Number 1-888-832-1728

Program: Corporation Income Tax
Reporting Period End: July 10, 2002

Filing Date: December 24, 2002
Balance Due Date: September 10, 2002

Summary of Interest:

Instalment interest	490.39
Arrears interest	1,496.23
	=====
Total	1,986.62

Instalment Base Amounts

Reporting period starting	Jan. 1, 2002	Jan. 1, 2001	Jan. 1, 2000
Reporting period ending	July 10, 2002	Dec. 31, 2001	Dec. 31, 2000
Effective date	Jan. 1, 2002	Jan. 1, 2001	Jan. 1, 2000
Federal tax	47,051.00	89,312.00	65,591.00
Provincial tax	0.00	0.00	0.00
Current tax credits	0.00	0.00	0.00
	=====	=====	=====
Instalment base	47,051.00	89,312.00	65,591.00

We have calculated your required instalment payments. You had to make 006 payments of \$3,920.91 based on the reporting period ending July 10, 2002.

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Jan. 31, 2002	0000 0000	0.00	Payment due	3,920.91	3,920.91
Feb. 28, 2002	0028 0007	21.11	Payment due	3,920.91	7,862.93
March 31, 2002	0031 0007	46.98	Payment due	3,920.91	11,830.72
April 30, 2002	0030 0006	58.48	Payment due	3,920.91	15,810.11
May 31, 2002	0031 0006	80.77	Payment received	3,610.00 Cr	12,280.88
May 31, 2002	0000 0000	0.00	Payment due	3,920.91	16,201.79
June 28, 2002	0028 0006	74.74	Payment received	5,466.00 Cr	10,810.53
June 30, 2002	0002 0006	3.55	Payment due	3,920.91	14,734.99
Sep. 10, 2002	0072 0007	204.86	Balance due date		14,939.85
		490.39	Total Instalment Interest		

Arrears/Refund Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Sep. 10, 2002	0000 0000	0.00	Part I.3 tax	47,051.00	47,051.00
Sep. 10, 2002	0000 0000	0.00	Instalment payment	9,076.00 Cr	37,975.00
Sep. 10, 2002	0000 0000	0.00	Instalment interest	490.39	38,465.39
Sep. 30, 2002	0020 0007	147.81			38,613.20
Dec. 31, 2002	0092 0007	687.26			39,300.46
March 28, 2003	0087 0007	661.16	Last interest date		39,961.62
		1,496.23	Total Arrears Interest		

2002 NOTICE OF ASSESSMENT



CORPORATION NOTICE OF ASSESSMENT

0000154

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CANADIAN NIAGARA POWER INC

Date of mailing
July 23, 2003
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2002

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	54,659.00 ✓	54,660.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
		=====
Total Federal Tax:		\$ 54,660.00
		=====
	Net balance:	\$ 54,660.00
Interest:		
Instalment interest		624.11
Arrears interest		1,594.60
		=====
	Result of this assessment:	\$ 56,878.71
	Prior balance:	\$ 0.00
		=====
	Total balance:	\$ 56,878.71

Alan Nymark
Commissioner of Customs and Revenue

EXPLANATION

We have adjusted the amount of payments to agree with the amount in our records. On your return, the total amount of payments is \$215,949.00 while the amount in our records is \$0.00.

We have charged instalment interest because one or more of your instalment payments were late or insufficient. You had to make 005 payments of \$4,555.00 based on the reporting period ending December 31, 2002.

We have charged arrears interest from February 28, 2003 on the amount that was unpaid on that date.

We have identified your corporation as a "large corporation" under subsection 225.1(8) of the "Income Tax Act" (the Act). According to subsection 225.1(7), if a large corporation is assessed an amount under the Act, we can take action to collect half of this amount before the end of the 90-day period the corporation has to make an objection or appeal. After this period is over, we can take action to collect the unpaid amount, except for half of the amount the corporation objected to or appealed.

Our records show that you have not paid half of the total amount of taxes, penalties, and interest assessed. Please pay this amount immediately. If you are unable to do so, please contact the collections section of the tax services office serving your corporation within 20 days of the date we mailed your "Notice of Assessment" or "Notice of Reassessment."

If you have already paid the amount required, please accept our thanks. However, if you made the payment more than 15 days ago, please contact us.

For your information we have attached a statement explaining how we have calculated interest.



CORPORATION NOTICE OF ASSESSMENT

St. John's NL A1B 3Z1

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Page 1 of 8

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date of mailing
July 23, 2003
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2002

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	56,878.71
Prior balance:	\$	0.00
		=====
Total balance:	\$	56,878.71

We will not charge additional interest on the total balance shown if you pay the full amount by August 12, 2003.

Please refer to the Summary and Explanation for additional information.



STATEMENT OF INTEREST CALCULATED

St. John's NL A1B 3Z1

0000157

Page 1 of 2

Date
July 23, 2003
Business Number
87249 8225 RC0001

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

For further information, contact:

St. John's Tax Centre
Freshwater Rd and Empire Ave
St. John's NL A1B 3Z1
Phone (709) 772-6888
Fax (709) 772-3834
Toll-Free Long Distance Number 1-888-832-1728

Program: Corporation Income Tax Filing Date: June 30, 2003
Reporting Period End: December 31, 2002 Balance Due Date: February 28, 2003

Summary of Interest:
Instalment interest
Arrears interest

624.11
1,594.60
=====

Total 2,218.71

Instalment Base Amounts

Reporting period starting	July 11, 2002	Jan. 1, 2002	Jan. 1, 2001
Reporting period ending	Dec. 31, 2002	July 10, 2002	Dec. 31, 2001
Effective date	July 11, 2002	July 11, 2002	Jan. 1, 2001
Federal tax	54,660.00	89,914.21	89,312.00
Provincial tax	0.00	0.00	0.00
Current tax credits	0.00	0.00	0.00
	=====	=====	=====
Instalment base	54,660.00	89,914.21	89,312.00

The reporting period ending July 10, 2002 is less than 12 months. To determine the instalment base amount for that period, we have calculated the 12-month equivalent. We multiplied the amount of tax payable by 365 and divided this amount by the number of days in the reporting period.

We have calculated your required instalment payments. You had to make 005 payments of \$4,555.00 based on the reporting period ending December 31, 2002.

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Aug. 10, 2002	0000 0000	0.00	Payment due	4,555.00	4,555.00
Sep. 10, 2002	0031 0007	27.16	Payment due	4,555.00	9,137.16
Sep. 30, 2002	0020 0007	35.11			9,172.27
Oct. 10, 2002	0010 0007	17.61	Payment due	4,555.00	13,744.88
Nov. 10, 2002	0031 0007	81.95	Payment due	4,555.00	18,381.83
Dec. 10, 2002	0030 0007	106.05	Payment due	4,555.00	23,042.88
Dec. 31, 2002	0021 0007	92.98			23,135.86
Feb. 28, 2003	0059 0007	263.25	Balance due date		23,399.11
		624.11	Total Instalment Interest		



STATEMENT OF INTEREST CALCULATED

Page 2 of 2

CANADIAN NIAGARA POWER INC

Date
July 23, 2003
Business Number
87249 8225 RC0001

Arrears/Refund Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Feb. 28, 2003	0000 0000	0.00	Part I.3 tax	54,660.00	54,660.00
Feb. 28, 2003	0000 0000	0.00	Instalment interest	624.11	55,284.11
March 31, 2003	0031 0007	329.62			55,613.73
June 30, 2003	0091 0007	979.00			56,592.73
July 23, 2003	0023 0008	285.98	Last interest date		56,878.71
		1,594.60	Total Arrears Interest		

2003 NOTICE OF ASSESSMENT



CORPORATION NOTICE OF ASSESSMENT

St. John's NL A1B 3Z1

0000587

Page 1 of 8

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date of mailing
August 30, 2004
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2003

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	576,468.56
Prior balance:	\$	38.92 Cr
		=====
Total balance:	\$	576,429.64

We will not charge additional interest on the total balance shown if you pay the full amount by September 19, 2004.

Please refer to the Summary and Explanation for additional information.





CORPORATION NOTICE OF ASSESSMENT

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Page 3 of 8

CANADIAN NIAGARA POWER INC

Date of mailing
August 30, 2004
Business Number
87249 8225 RC0001
Taxation year-end
December 31, 2003

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	850,375.00	850,375.00
Part I.3	88,005.00	88,005.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		938,380.00
Instalment(s) applied		380,808.63 Cr
		557,571.37
Interest:		
Arrears interest		18,897.19
		576,468.56
		38.92 Cr
		576,429.64

Alan Nymark
Commissioner of Customs and Revenue

EXPLANATION

We have revised the taxable income for the purpose of the small business deduction to \$0.00, to correct a mathematical error.

We have adjusted the amount of payments to agree with the amount in our records. On your return, the total amount of payments is \$938,380.00 while the amount in our records is \$380,808.63.

We have charged arrears interest from February 29, 2004 on the amount that was unpaid on that date.

We have identified your corporation as a "large corporation" under subsection 225.1(8) of the "Income Tax Act" (the Act). According to subsection 225.1(7), if a large corporation is assessed an amount under the Act, we can take action to collect half of this amount before the end of the 90-day period the corporation has to make an objection or appeal. After this period is over, we can take action to collect the unpaid amount, except for half of the amount the corporation objected to or appealed.

Our records show that you have not paid half of the total amount of taxes, penalties, and interest assessed. Please pay this amount immediately. If you are unable to do so, please contact the collections section of the tax services office serving your corporation within 20 days of the date we mailed your "Notice of Assessment" or "Notice of Reassessment."

If you have already paid the amount required, please accept our thanks. However, if you made the payment more than 15 days ago, please contact us.

For your information we have attached a statement explaining how we have calculated interest.



STATEMENT OF INTEREST CALCULATED

St. John's NL A1B 3Z1

0000591

Page 1 of 2

CANADIAN NIAGARA POWER INC
1130 BERTIE STREET,
FORT ERIE ON L2A 5Y2

Date
August 30, 2004
Business Number
87249 8225 RC0001

For further information, contact:

St. John's Tax Centre
Freshwater Rd and Empire Ave
St. John's NL A1B 3Z1
Phone (709) 772-6888
Fax (709) 772-3834
Toll-Free Long Distance Number 1-888-832-1728

Program: Corporation Income Tax Filing Date: June 30, 2004
Reporting Period End: December 31, 2003 Balance Due Date: February 29, 2004

Summary of Interest:
Arrears interest

	18,897.19
Total	=====
	18,897.19

Instalment Base Amounts

Reporting period starting	Jan. 1, 2003	July 11, 2002	Jan. 1, 2002
Reporting period ending	Dec. 31, 2003	Dec. 31, 2002	July 10, 2002
Effective date	Jan. 1, 2003	Jan. 1, 2003	July 11, 2002
Federal tax	938,380.00	114,660.34	89,914.21
Provincial tax	0.00	0.00	0.00
Current tax credits	0.00	0.00	0.00
	=====	=====	=====
Instalment base	938,380.00	114,660.34	89,914.21

As the reporting period ending December 31, 2002 is less than 183 days, the instalment base amount we have used is the larger of:

a) the tax payable for the reporting period of less than 183 days adjusted to a 12-month equivalent; or

b) the tax payable for the next preceding reporting period of more than 182 days adjusted to a 12-month equivalent.

We have calculated your required instalment payments. You had to make 2 payments of \$7,492.85 based on the reporting period ending July 10, 2002 and 010 payments of \$9,967.46 based on the reporting period ending December 31, 2002.

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Dec. 31, 2002	0000 0000	0.00	Transfer received	160,808.63 Cr	160,808.63 Cr
Jan. 31, 2003	0031 0007	958.80 Cr	Payment due	7,492.85	154,274.58 Cr
Jan. 31, 2003	0000 0000	0.00	Transfer received	20,000.00 Cr	174,274.58 Cr
b. 28, 2003	0028 0007	938.26 Cr	Payment due	7,492.85	167,719.99 Cr
rch 31, 2003	0031 0007	1,000.00 Cr	Payment due	9,967.46	158,752.53 Cr
March 31, 2003	0000 0000	0.00	Transfer received	20,000.00 Cr	178,752.53 Cr
April 30, 2003	0030 0007	1,031.30 Cr	Payment due	9,967.46	169,816.37 Cr
April 30, 2003	0000 0000	0.00	Transfer received	20,000.00 Cr	189,816.37 Cr
May 30, 2003	0030 0007	1,095.14 Cr	Transfer received	20,000.00 Cr	210,911.51 Cr
May 31, 2003	0001 0007	40.45 Cr	Payment due	9,967.46	200,984.50 Cr
June 30, 2003	0030 0007	1,159.57 Cr	Payment due	9,967.46	192,176.61 Cr



STATEMENT OF INTEREST CALCULATED

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CANADIAN NIAGARA POWER INC

Date

August 30, 2004

Business Number

87249 8225 RC0001

Instalment Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
June 30, 2003	0000 0000	0.00	Transfer received		
July 31, 2003	0031 0008	1,446.39 Cr	Payment received	20,000.00 Cr	212,176.61 Cr
July 31, 2003	0000 0000	0.00	Payment due	20,000.00 Cr	233,623.00 Cr
Aug. 31, 2003	0031 0008	1,524.64 Cr	Payment received	9,967.46	223,655.54 Cr
Aug. 31, 2003	0000 0000	0.00	Payment due	20,000.00 Cr	245,180.18 Cr
Sep. 30, 2003	0030 0008	1,551.53 Cr	Payment received	9,967.46	235,212.72 Cr
Sep. 30, 2003	0000 0000	0.00	Payment due	20,000.00 Cr	256,764.25 Cr
Oct. 31, 2003	0031 0007	1,471.49 Cr	Payment received	9,967.46	246,796.79 Cr
Oct. 31, 2003	0000 0000	0.00	Payment due	20,000.00 Cr	268,268.28 Cr
Nov. 28, 2003	0028 0007	1,390.64 Cr	Payment received	9,967.46	258,300.82 Cr
Nov. 30, 2003	0002 0007	107.29 Cr	Payment due	20,000.00 Cr	279,691.46 Cr
Dec. 31, 2003	0031 0007	1,608.83 Cr	Payment received	9,967.46	269,831.29 Cr
Dec. 31, 2003	0000 0000	0.00	Payment due	20,000.00 Cr	291,440.12 Cr
Feb. 29, 2004	0060 0007	3,248.31 Cr	Balance due date	9,967.46	281,472.66 Cr
		0.00	Total Instalment Interest		284,720.97 Cr

Arrears/Refund Interest Calculation

Date	# of Int. Days Rate	Interest	Item	Amount	Balance
Feb. 29, 2004	0000 0000	0.00	Part I tax	850,375.00	850,375.00
Feb. 29, 2004	0000 0000	0.00	Part I.3 tax	88,005.00	938,380.00
Feb. 29, 2004	0000 0000	0.00	Instalment payment	380,808.63 Cr	557,571.37
March 31, 2004	0031 0007	3,315.32			560,886.69
June 30, 2004	0091 0007	9,846.38			570,733.07
Aug. 30, 2004	0061 0006	5,735.49	Last interest date		576,468.56
		18,897.19	Total Arrears Interest		

2003 EOP NOTICE OF ASSESSMENT

CORPORATION NOTICE OF ASSESSMENT

St. John's NL A1B 3Z1

0004368

Page 1 of 6

EASTERN ONTARIO POWER INC.
C/O FORTIS ONTARIO INC
1130 BERTIE STREET
FORT ERIE ON L2A 5Y2

Date of mailing
November 12, 2004
Business Number
89784 4122 RC0001
Taxation year-end
December 31, 2003

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	18,379.21	Cr
Amount refunded:	\$	18,379.21	
Prior balance:	\$	0.00	
		=====	
Total balance:	\$	0.00	

We are sending you a cheque for \$18,379.21 separately.

Please refer to the Summary and Explanation for additional information.



CORPORATION NOTICE OF ASSESSMENT

0004369

Page 3 of 6

EASTERN ONTARIO POWER INC.

Date of mailing
November 12, 2004
Business Number
89784 4122 RC0001
Taxation year-end
December 31, 2003

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	49,731.00	30,889.00
Part I.3	8,043.00	8,918.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
		=====
Total Federal Tax:		\$ 39,807.00
Instalment(s) applied		57,774.00 Cr
		=====
	Net balance:	\$ 17,967.00 Cr
Interest:		
Refund interest		412.21 Cr
		=====
	Result of this assessment:	\$ 18,379.21 Cr
	Amount refunded:	\$ 18,379.21
	Prior balance:	\$ 0.00
		=====
	Total balance:	\$ 0.00

Alan Nymark
Commissioner of Customs and Revenue

EXPLANATION

We have revised the amount of reserves from financial statements or the "General Index of Financial Information," to \$78,115.00, to agree with the amount added in the previous taxation year.

We have revised the net income or loss for tax purposes to agree with the calculated amount.

We have revised the taxable income earned in Canada on Schedule 33, "Part I.3 Tax on Large Corporations," to \$128,067.00, to correct a mathematical error.

We have revised the current-year surtax credit earned for a Canadian resident corporation on Schedule 33, "Part I.3 Tax on Large Corporations," to \$1,434.00, to agree with the calculated amount.

The amount of refund interest shown is calculated up to the date of disbursement and is taxable in the reporting period you receive it.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know that Corporation Internet Filing is available? Please visit our Web site at www.cra.gc.ca/corporation-internet for further information.

2004 NOTICE OF ASSESSMENT



CORPORATION NOTICE OF ASSESSMENT

St. John's NL A1B 3Z1

0001032

Page 1 of 6

CANADIAN NIAGARA POWER INC
C/O GLEN KING
1130 GLEN E STREET,
FORT ERIE ON L2A 5Y2

Date of mailing
July 7, 2005
Business Number
87249 8225 RC0002
Taxation year-end
December 31, 2004

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	430,460.23	Cr
Amount refunded:	\$	430,460.23	
Prior balance:	\$	0.00	
		=====	
Total balance:	\$	0.00	

We are sending you a cheque for \$430,460.23 separately.

Please refer to the Summary and Explanation for additional information.



CORPORATION NOTICE OF ASSESSMENT

0001033

Page 3 of 6

CANADIAN NIAGARA POWER INC

Date of mailing July 7, 2005
Business Number 87249 8225 RC0002
Taxation year-end December 31, 2004

SUMMARY OF ASSESSMENT

Federal Tax:

	\$ Reported	\$ Assessed
Part I	428,448.00	428,448.00
Part I.3	103,813.00	103,813.00 - 1/2 99203
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00

Total Federal Tax:

Instalment(s) applied

reduced by 1/2 99203 →
7/2/05

	\$	532,261.00 ✓
		958,380.00 Cr

Interest:

Refund interest

Net balance: \$ 426,119.00 Cr

4,341.23 Cr

Result of this assessment: \$ 430,460.23 Cr

Amount refunded: \$ 430,460.23

Prior balance: \$ 0.00

Total balance: \$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have revised the taxable income for the purpose of the small business deduction to \$0.00, to correct a mathematical error.

The amount of refund interest shown is calculated up to the date of disbursement and is taxable in the reporting period you receive it.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

2004 NOTICE OF REASSESSMENT



CANADIAN NIAGARA POWER INC

Page 2 of 6

Date of mailing	July 21, 2006
Business Number	87249 8225 RC0002
Taxation year-end	December 31, 2004

CORPORATION NOTICE OF REASSESSMENT

SUMMARY OF REASSESSMENT

	\$ Previous	\$ Reassessed	\$ Adjustment
Federal Tax:			
Part I	428,448.00	408,309.00	20,139.00 Cr
Part I.3	103,813.00	104,833.00	1,020.00 <i>let</i>
Part II	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIII.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
			=====
Total Federal Tax Adjustment:			\$ 19,119.00 Cr
			=====
		Net balance:	\$ 19,119.00 Cr
Interest:			
Refund interest			12.57 Cr
			=====
		Result of this reassessment:	\$ 19,131.57 Cr

Michel Dorais
Commissioner of Revenue

EXPLANATION

We have adjusted the T2 return to apply a loss or credit carry-back as requested.

The amount of refund interest shown is calculated up to the date of disbursement and is taxable in the reporting period you receive it.

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest Canada Revenue Agency tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

2005 NOTICE OF ASSESSMENT



CANADIAN NIAGARA POWER INC

Page 2 of 6

Date of mailing July 21, 2006
Business Number 87249 8225 RC0002
Taxation year-end December 31, 2005

CORPORATION NOTICE OF ASSESSMENT

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I		
Part I.3 <i>LC</i>	0.00	0.00
Part II	0.00	112,805.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		=====
Instalment(s) applied		\$ 112,805.00
		549,592.17 Cr
Interest:		
Refund interest		
	Net balance: \$	436,787.17 Cr
		6,363.85 Cr
		=====
Result of reassessment for reporting period ending December 31, 2004:	\$	443,151.02 Cr
Result of this assessment:	\$	19,131.57 Cr
Amount refunded:	\$	462,282.59
Prior balance:	\$	0.00
Total balance:	\$	=====
		0.00

Michel Dorais
Commissioner of Revenue

EXPLANATION

We have revised the claim for 50% rule on Schedule 8, "Capital Cost Allowance (CCA)," for class 10 to \$53,526.00, applying the half-year rule on property acquired during the taxation year.

We have revised the claim for undepreciated capital cost at the end of the year on Schedule 8, "Capital Cost Allowance (CCA)," for class 10 to \$1,449,622.00, to agree with our records.

We have revised the capital deduction claimed for the year on Schedule 33, "Part I.3 Tax on Large Corporations," to \$1,000,000.00. This agrees with the allocated amount on Schedule 36, "Agreement Among Related Corporations - Part I.3 Tax."

We have revised the amount of Part I.3 tax payable on the T2, "Corporation Income Tax Return," to agree with the calculated amount.

The amount of refund interest shown is calculated up to the date of disbursement and is taxable in the reporting period you receive it.

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest Canada Revenue Agency tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about

