



CENTRE WELLINGTON HYDRO LTD.
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June 20, 2012

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Centre Wellington Hydro Ltd.
License #ED-2002-0498
Disposition of PILs Application EB-2012-0052
Response to Board Staff Written Submission

Please accept this as Centre Wellington Hydro's PILs response to the Written Submission submitted by the Board Staff. No other written submissions were received.

Centre Wellington Hydro would like to inform the OEB Board and Board Staff the PILs application, replies to the interrogatories and the written submission was prepared by Lois Ouelette, CA, Senior Manager, Audit for KPMG LLP. Centre Wellington Hydro hired KPMG to complete the application and subsequent replies as it was felt that KPMG has the expertise in PILs and the corporate tax area.

Centre Wellington Hydro has submitted the PILs response to the Written Submission via the e-filing in PDF format with supporting excel spreadsheets.

Centre Wellington is also submitting 2 hardcopies of the response and a CD which includes all supporting spreadsheets in Microsoft Excel by courier.

If you have any questions or concerns, please contact the undersigned at (519) 843-2900 Ext 225 or by email at thiessen@cwhydro.ca

Yours truly,

Original Signed by:

Florence Thiessen, CGA
Vice President / Treasurer
Centre Wellington Hydro Ltd.

Encl.

Cc via email: Michael Buonaguro –Vulnerable Energy Consumers Coalition (VECC)
Mark Rubenstein, SEC
Stephen Vetsis, Board Staff

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Centre Wellington Hydro Ltd.
Disposition of Account 1562 - Deferred PILs
EB-2012-0052
Response to Board Staff Submission
June 20, 2012

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Excess Interest True-up Calculations

Centre Wellington Hydro Ltd. (“CWHL”) agrees with Board staff with respect to the exclusion of interest on customer deposits from the excess interest claw-back calculation. Accordingly the SIMPIL models including the continuity schedule and carrying charge calculation schedule have been updated for this interest under all scenarios included with this response.

Income Tax Rates Used in SIMPIL Models Sheet TAXCALC

Board staff have asked CWHL to submit revised SIMPIL models under two scenarios

Scenario A would use rate base as a proxy for taxable capital in determining the impact of the small business deduction on tax rates; and

Scenario B using the minimum income tax rates from the Decision in the combined proceeding

CWHL proposes that a third scenario (**Scenario C**) has merit and should be considered. Scenario C would use the rates as determined under Scenario A for the years 2001, 2002, 2003 being the years where the actual tax rates are difficult to determine as a result of tax losses. For 2004 and 2005, CWHL proposes that tax rates be determined using actual taxable income and actual taxable capital.

CWHL submits with this response, revised SIMPIL models and carrying charge calculations labeled Scenario A, B or C as appropriate.

Scenario A

CWHL understands Board staff concern over consistency of the approach used to determine the appropriate tax rates. Consistency, however, should not be sought at the expense of accuracy. Rate base is not an appropriate proxy for taxable capital because, for CWHL, this does not result in the use of the applicable legislated tax rate for the purposes of the true-up calculation in the SIMPIL models. The fact is that CWHL is required to use a legislated tax rate that is greater than the tax rate calculated under this scenario. The tax returns for 2001 and 2002 are inappropriate with respect to taxable income. They are not inappropriate with respect to taxable capital. Taxable capital was not eliminated because of the losses incurred in these years. Likewise taxable capital was not distorted in 2003 as a result of the losses for tax purposes. This approach is particularly inappropriate for 2004 and 2005 when there were no losses.

For this reason we respectfully request the Board to consider CWHL’s original submission using the hybrid approach.

Scenario B

Scenario B is a method that arbitrarily uses the minimum tax rates. CWHL is not such a small distributor that it is entitled to use the minimum income tax rates on its tax returns. This can be clearly seen in 2004 and 2005. This is further supported by the levels of regulatory taxable income. CWHL is not entitled to the full small business deduction. Using the minimum tax rates under Scenario B results in inaccurate true-ups and is arbitrary in nature with no basis in “tax” reality. CWHL strongly objects to using the tax rates under this scenario.

Scenario C

Scenario C is a compromise that CWHL is suggesting. It does not address our concerns over scenario A for the years 2001 to 2003 but it does address those concerns for 2004 and 2005. CWHL believes that the hybrid approach originally filed provides the best estimate of the tax rates that should be used in the true-up in CWHL’s circumstances. The hybrid model reflects the fact that CWHL does indeed have actual taxable capital at a high enough level that a claw back of the small business deduction occurs. Using the rate base as a proxy does not reflect this fact. Scenario C gives the best of both worlds. It uses a consistent regulatory model for determining the tax rates in 2001, 2002 and 2003. It uses a consistent “actual” model for determining the tax rates in 2004 and 2005.

Conclusion

CWHL is submitting revised SIMPIL models under scenarios A and B as requested by Board staff as well as SIMPIL models under scenario C proposed by CWHL. CWHL strenuously objects to using the tax rates under scenario B and respectfully requests the Board to discard this scenario out of hand. CWHL respectfully requests that the Board use the tax rates determined in our original submission. If the Board finds the hybrid model used in the original submission objectionable, CWHL respectfully requests that the Board seriously consider the tax rates as determined under Scenario C.

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Centre Wellington Hydro Ltd.

Disposition of Account 1562 – Deferred PILs

EB-2012-0052

Response to Board Staff Submission

June 20, 2012

Scenario A

	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: Centre Wellington Hydro Ltd.														
4	Reporting Period: 2001 to Apr 30, 2006				Sign Convention: + for increase; - for decrease										
5															
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		80,347		15,846		-2,511		-43,736		-163,641		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	79,861		269,036		348,897		289,001		67,259		66,549		1,120,604
13	PILs proxy from April 1, 2005 - input 9/12 of amount										149,736				149,736
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			0		0								0
15	True-up Variance Adjustment (3)	+/-			0		0		-14,011		-16,826		5,253		-25,584
16	Deferral Account Variance Adjustment Q4, 2001 (4)				-4,277										-4,277
17	Deferral Account Variance Adjustment (5)	+/-			0		-38,227		-60,290		-80,230		-46,206		-224,953
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	486		5,461		1,607		-1,736		-8,276		-3,531		-5,989
20	PILs billed to (collected from) customers (8)	-	0		-334,722		-330,634		-254,189		-231,568		-91,015		-1,242,127
21															
22	Ending balance: # 1562		80,347		15,846		-2,511		-43,736		-163,641		-232,590		-232,590
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	true 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	true 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															

Centre Wellington Hydro Ltd.
1562 Deferred PILs Continuity Schedule

Year: Q4 2001

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
October	26,620.33	-		26,620.33	26,620.33	7.25%	-	-
November	26,620.33	-		26,620.33	53,240.67	7.25%	158.63	158.63
December	26,620.33	-		26,620.33	79,861.00	7.25%	327.83	486.46
Total	79,861.00	-	-	79,861.00			486.46	

Year: 2002

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	22,419.67	-		22,419.67	102,280.67	7.25%	491.75	978.21
February	22,419.67	-		22,419.67	124,700.33	7.25%	568.85	1,547.05
March	22,419.67	(33,472.18)		(11,052.51)	113,647.82	7.25%	767.85	2,314.90
April	22,419.67	(33,472.18)		(11,052.51)	102,595.31	7.25%	677.22	2,992.12
May	22,419.67	(33,472.18)		(11,052.51)	91,542.79	7.25%	631.73	3,623.85
June	22,419.67	(33,472.18)	(4,277.00)	(15,329.51)	76,213.28	7.25%	545.49	4,169.35
July	22,419.67	(33,472.18)		(11,052.51)	65,160.77	7.25%	469.29	4,638.63
August	22,419.67	(33,472.18)		(11,052.51)	54,108.25	7.25%	401.23	5,039.86
September	22,419.67	(33,472.18)		(11,052.51)	43,055.74	7.25%	322.43	5,362.29
October	22,419.67	(33,472.18)		(11,052.51)	32,003.23	7.25%	265.12	5,627.41
November	22,419.67	(33,472.18)		(11,052.51)	20,950.71	7.25%	190.70	5,818.11
December	22,419.67	(33,472.20)		(11,052.53)	9,898.18	7.25%	129.00	5,947.11
Total	269,036.00	(334,721.82)	(4,277.00)	(69,962.82)			5,460.65	

Year: 2003

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(4,205.23)		24,869.52	34,767.70	7.25%	60.95	6,008.06
February	29,074.75	(24,887.63)		4,187.12	38,954.82	7.25%	193.37	6,201.43
March	29,074.75	(29,598.86)		(524.11)	38,430.71	7.25%	239.87	6,441.29
April	29,074.75	(22,337.57)		6,737.18	45,167.89	7.25%	229.00	6,670.30
May	29,074.75	(33,730.02)		(4,655.27)	40,512.62	7.25%	278.12	6,948.42
June	29,074.75	(25,326.44)	(38,227.00)	(34,478.69)	6,033.93	7.25%	241.41	7,189.83
July	29,074.75	(30,384.86)		(1,310.11)	4,723.82	7.25%	37.15	7,226.99
August	29,074.75	(25,968.42)		3,106.33	7,830.15	7.25%	29.09	7,256.07
September	29,074.75	(29,372.95)		(298.20)	7,531.95	7.25%	46.66	7,302.73
October	29,074.75	(21,694.87)		7,379.88	14,911.83	7.25%	46.38	7,349.11
November	29,074.75	(25,067.03)		4,007.72	18,919.55	7.25%	88.86	7,437.97
December	29,074.75	(58,059.80)		(28,985.05)	(10,065.50)	7.25%	116.50	7,554.47
Total	348,897.00	(330,633.68)	(38,227.00)	(19,963.68)			1,607.35	

Year: 2004

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(743.32)		28,331.43	18,265.93	7.25%	(61.81)	7,492.66
February	29,074.75	(31,092.63)		(2,017.88)	16,248.05	7.25%	104.93	7,597.59
March	29,074.75	(33,951.74)		(4,876.99)	11,371.06	7.25%	99.77	7,697.36
April	22,419.67	(25,985.52)		(3,565.85)	7,805.21	7.25%	67.57	7,764.94
May	22,419.67	(16,912.94)		5,506.73	13,311.93	7.25%	47.93	7,812.86
June	22,419.67	(23,397.09)	(74,301.00)	(75,278.42)	(61,966.49)	7.25%	79.11	7,891.97
July	22,419.67	(15,901.36)		6,518.31	(55,448.18)	7.25%	(380.52)	7,511.45
August	22,419.67	(27,400.66)		(4,980.99)	(60,429.18)	7.25%	(340.49)	7,170.96
September	22,419.67	(19,761.08)		2,658.59	(57,770.59)	7.25%	(359.11)	6,811.86
October	22,419.67	(16,480.42)		5,939.25	(51,831.34)	7.25%	(354.75)	6,457.10
November	22,419.67	(24,490.20)		(2,070.53)	(53,901.88)	7.25%	(308.01)	6,149.09
December	22,419.67	(18,072.53)		4,347.14	(49,554.74)	7.25%	(331.00)	5,818.09
Total	289,001.25	(254,189.49)	(74,301.00)	(39,489.24)			(1,736.37)	

Year: 2005

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	22,419.67	(26,344.01)		(3,924.34)	(53,479.08)	7.25%	(305.14)	5,512.96
February	22,419.67	(28,205.55)		(5,785.88)	(59,264.97)	7.25%	(297.43)	5,215.53
March	22,419.67	(27,466.39)		(5,046.72)	(64,311.69)	7.25%	(364.93)	4,850.60
April	16,637.33	(20,539.75)		(3,902.42)	(68,214.11)	7.25%	(383.23)	4,467.37
May	16,637.33	(17,186.01)		(548.68)	(68,762.78)	7.25%	(420.03)	4,047.34
June	16,637.33	(17,406.50)	(97,057.00)	(97,826.17)	(166,588.95)	7.25%	(409.75)	3,637.59
July	16,637.33	(13,123.16)		3,514.17	(163,074.78)	7.25%	(1,025.78)	2,611.81
August	16,637.33	(23,394.86)		(6,757.53)	(169,832.30)	7.25%	(1,004.14)	1,607.68
September	16,637.33	(15,339.38)		1,297.95	(168,534.35)	7.25%	(1,012.01)	595.66
October	16,637.33	(14,413.33)		2,224.00	(166,310.35)	7.25%	(1,037.76)	(442.09)
November	16,637.33	(16,722.62)		(85.29)	(166,395.63)	7.25%	(991.03)	(1,433.12)
December	16,637.33	(11,426.00)		5,211.33	(161,184.30)	7.25%	(1,024.59)	(2,457.71)
Total	216,995.00	(231,567.56)	(97,057.00)	(111,629.56)			(8,275.80)	

Year: 2006

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	16,637.33	(19,496.33)		(2,859.00)	(164,043.30)	7.25%	(992.50)	(3,450.21)
February	16,637.33	(21,625.37)		(4,988.04)	(169,031.33)	7.25%	(912.35)	(4,362.56)
March	16,637.33	(19,568.37)		(2,931.04)	(171,962.37)	7.25%	(1,040.82)	(5,403.37)
April	16,637.33	(30,324.76)		(13,687.43)	(185,649.80)	4.14%	(585.14)	(5,988.52)
May	-	-		-	(185,649.80)	4.14%	(652.78)	(6,641.29)
June	-	-	(40,953.00)	(40,953.00)	(226,602.80)	4.14%	(631.72)	(7,273.01)
July	-	-		-	(226,602.80)	4.59%	(883.38)	(8,156.39)
August	-	-		-	(226,602.80)	4.59%	(883.38)	(9,039.77)
September	-	-		-	(226,602.80)	4.59%	(854.88)	(9,894.65)
October	-	-		-	(226,602.80)	4.59%	(883.38)	(10,778.03)
November	-	-		-	(226,602.80)	4.59%	(854.88)	(11,632.91)
December	-	-		-	(226,602.80)	4.59%	(883.38)	(12,516.29)
Total	66,549.33	(91,014.83)	(40,953.00)	(65,418.50)			(10,058.58)	

Year: 2007

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-		-	(226,602.80)	4.59%	(883.38)	(13,399.67)
February	-	-		-	(226,602.80)	4.59%	(797.89)	(14,197.56)
March	-	-		-	(226,602.80)	4.59%	(883.38)	(15,080.94)
April	-	-		-	(226,602.80)	4.59%	(854.88)	(15,935.82)
May	-	-		-	(226,602.80)	4.59%	(883.38)	(16,819.20)
June	-	-		-	(226,602.80)	4.59%	(854.88)	(17,674.08)
July	-	-		-	(226,602.80)	4.59%	(883.38)	(18,557.46)
August	-	-		-	(226,602.80)	4.59%	(883.38)	(19,440.83)
September	-	-		-	(226,602.80)	4.59%	(854.88)	(20,295.72)
October	-	-		-	(226,602.80)	5.14%	(989.23)	(21,284.95)
November	-	-		-	(226,602.80)	5.14%	(957.32)	(22,242.27)
December	-	-		-	(226,602.80)	5.14%	(989.23)	(23,231.50)
Total	-	-	-	-			(10,715.21)	

Year: 2008

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-		-	(226,602.80)	5.14%	(986.53)	(24,218.02)
February	-	-		-	(226,602.80)	5.14%	(922.88)	(25,140.90)
March	-	-		-	(226,602.80)	5.14%	(986.53)	(26,127.43)
April	-	-		-	(226,602.80)	4.08%	(757.82)	(26,885.25)
May	-	-		-	(226,602.80)	4.08%	(783.08)	(27,668.33)
June	-	-		-	(226,602.80)	4.08%	(757.82)	(28,426.15)
July	-	-		-	(226,602.80)	3.35%	(642.97)	(29,069.12)
August	-	-		-	(226,602.80)	3.35%	(642.97)	(29,712.09)
September	-	-		-	(226,602.80)	3.35%	(622.23)	(30,334.32)
October	-	-		-	(226,602.80)	3.35%	(642.97)	(30,977.29)
November	-	-		-	(226,602.80)	3.35%	(622.23)	(31,599.52)
December	-	-		-	(226,602.80)	3.35%	(642.97)	(32,242.49)
Total	-	-	-	-			(9,010.99)	

Year: 2009

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(226,602.80)	2.45%	(471.52)	(32,714.01)
February	-	-	-	-	(226,602.80)	2.45%	(425.89)	(33,139.90)
March	-	-	-	-	(226,602.80)	2.45%	(471.52)	(33,611.42)
April	-	-	-	-	(226,602.80)	1.00%	(186.25)	(33,797.66)
May	-	-	-	-	(226,602.80)	1.00%	(192.46)	(33,990.12)
June	-	-	-	-	(226,602.80)	1.00%	(186.25)	(34,176.37)
July	-	-	-	-	(226,602.80)	0.55%	(105.85)	(34,282.22)
August	-	-	-	-	(226,602.80)	0.55%	(105.85)	(34,388.07)
September	-	-	-	-	(226,602.80)	0.55%	(102.44)	(34,490.51)
October	-	-	-	-	(226,602.80)	0.55%	(105.85)	(34,596.36)
November	-	-	-	-	(226,602.80)	0.55%	(102.44)	(34,698.80)
December	-	-	-	-	(226,602.80)	0.55%	(105.85)	(34,804.65)
Total	-	-	-	-	-	-	(2,562.16)	-

Year: 2010

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(226,602.80)	0.55%	(105.85)	(34,910.50)
February	-	-	-	-	(226,602.80)	0.55%	(95.61)	(35,006.11)
March	-	-	-	-	(226,602.80)	0.55%	(105.85)	(35,111.96)
April	-	-	-	-	(226,602.80)	0.55%	(102.44)	(35,214.40)
May	-	-	-	-	(226,602.80)	0.55%	(105.85)	(35,320.25)
June	-	-	-	-	(226,602.80)	0.55%	(102.44)	(35,422.69)
July	-	-	-	-	(226,602.80)	0.89%	(171.29)	(35,593.97)
August	-	-	-	-	(226,602.80)	0.89%	(171.29)	(35,765.26)
September	-	-	-	-	(226,602.80)	0.89%	(165.76)	(35,931.02)
October	-	-	-	-	(226,602.80)	1.20%	(230.95)	(36,161.97)
November	-	-	-	-	(226,602.80)	1.20%	(223.50)	(36,385.47)
December	-	-	-	-	(226,602.80)	1.20%	(230.95)	(36,616.42)
Total	-	-	-	-	-	-	(1,811.77)	-

Year: 2011

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(226,602.80)	1.47%	(282.91)	(36,899.33)
February	-	-	-	-	(226,602.80)	1.47%	(255.53)	(37,154.86)
March	-	-	-	-	(226,602.80)	1.47%	(282.91)	(37,437.77)
April	-	-	-	-	(226,602.80)	1.47%	(273.79)	(37,711.56)
May	-	-	-	-	(226,602.80)	1.47%	(282.91)	(37,994.47)
June	-	-	-	-	(226,602.80)	1.47%	(273.79)	(38,268.26)
July	-	-	-	-	(226,602.80)	1.47%	(282.91)	(38,551.17)
August	-	-	-	-	(226,602.80)	1.47%	(282.91)	(38,834.08)
September	-	-	-	-	(226,602.80)	1.47%	(273.79)	(39,107.87)
October	-	-	-	-	(226,602.80)	1.47%	(282.91)	(39,390.78)
November	-	-	-	-	(226,602.80)	1.47%	(273.79)	(39,664.57)
December	-	-	-	-	(226,602.80)	1.47%	(282.91)	(39,947.48)
Total	-	-	-	-	-	-	(3,331.06)	-

Year: 2012

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(226,602.80)	1.47%	(282.14)	(40,229.62)
February	-	-	-	-	(226,602.80)	1.47%	(263.94)	(40,493.55)
March	-	-	-	-	(226,602.80)	1.47%	(282.14)	(40,775.69)
April	-	-	-	-	(226,602.80)	1.47%	(273.04)	(41,048.73)
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	(1,101.25)	-

Grand totals	1,270,339.58	(1,242,127.38)	(254,815.00)	(226,602.80)			(41,048.73)	(267,651.53)
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Centre-Wellington Hydro Ltd.

Tax rate calculation

Scenario A

	2001	2002	2003	2004	2005
Calculation of federal small business deduction impact					
Regulatory taxable income	149,052	498,878	498,878	498,879	518,012
Business limit	50,411	200,000	225,000	250,000	300,000
Gross LCT	-	-	-	-	-
	11,250	11,250	11,250	11,250	11,250
Business limit reduction	-	-	-	-	-
Reduced business limit	50,411	200,000	225,000	250,000	300,000
Small business deduction @ 16% of least of regulatory taxable income and reduced business limit	8,066	32,000	36,000	40,000	48,000
	(5.41%)	(6.41%)	(7.22%)	(8.02%)	(9.27%)
Federal small business deduction as percent of regulatory taxable income					
Calculation of Ontario small business deduction impact					
Ontario business limit	70,575	280,000	320,000	400,000	400,000
Small business deduction rate	6.50%	6.50%	7.00%	8.50%	8.50%
Small business deduction	4,587	18,200	22,400	34,000	34,000
	3.08%	3.65%	4.49%	6.82%	6.56%
Ontario small business deduction as percent of regulatory taxable income					
Tax rates					
Regular federal tax rate	28.12%	26.12%	24.12%	22.12%	22.12%
Regular provincial tax rate	12.50%	12.50%	12.50%	14.00%	14.00%
Federal small business deduction	(5.41%)	(6.41%)	(7.22%)	(8.02%)	(9.27%)
Ontario small business deduction	(3.08%)	(3.65%)	(4.49%)	(6.82%)	(6.56%)
Total tax rate net of SBD	32.13%	28.56%	24.91%	21.28%	20.29%
Federal surtax	1.12%	1.12%	1.12%	1.12%	1.12%
Gross up rate	31.01%	27.44%	23.79%	20.16%	19.17%
	0.225%	0.225%	0.225%	0.225%	
Rate base as proxy for taxable capital	8,553,726	8,553,726	8,553,726	8,553,726	8,553,726
		10,000,000	10,000,000	10,000,000	50,000,000
		(1,446,274)	(1,446,274)	(1,446,274)	
		(3,254)	(3,254)	(3,254)	

	A	B	C	D	E
1	PILs TAXES - ED-2002-0511				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Centre Wellington Hydro Ltd.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2001	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
31	Rate Base (wires-only)			8,553,726	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			732,627	
43	1999 return from RUD Sheet #7			555,088	555,088
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			4,932	4,932
48	Amount allowed in 2002			113,427	0
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	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				560,020
56	Equity			4,276,863	
58	Return at target ROE			422,554	
60	Debt			4,276,863	
62	Deemed interest amount in 100% of MARR			310,073	
64	Phase-in of interest - Year 1 (2001)			237,020	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	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	140,005		-276,892		-136,887	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	110,693		-3,814		106,879	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		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"				4,350		4,350	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	42,391		103,146		145,537	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	59,255		-59,255		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		149,052		-320,247		-171,195	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-1.9900%		32.13%	
54								
55	REGULATORY INCOME TAX		50,857		-50,857	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		50,857		-50,857	Actual	0	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,738,802		12,292,528	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,738,802		7,292,528	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		2,665		9,012		11,677	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,738,801		12,292,527	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,738,801		2,292,527	
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)		0		2,162		2,162	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		2,162		2,162	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude-surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	77,196			Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	2,665			Actual 2001	5,514	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001 RAM DECISION	25	79,861			Actual 2001	5,514	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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 E206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
121								
122	Income Tax Rate from 2001 Utility's tax return			x	32.13%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				31.010%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	149,052			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	32.13%			
139								
140	REVISED REGULATORY INCOME TAX			=	47,890			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	47,890			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	50,857			
147								
148	Regulatory Income Tax Variance			=	-2,966			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	2,687			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	2,665			
159	Regulatory Ontario Capital Tax Variance			=	22			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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 C84)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				31.01%			
176								
177	Income Tax (grossed-up)			+	-4,299			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	22			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-4,277			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-4,277			
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)				310,073			
194	Interest phased-in (Cell C37)				59,255			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				250,818			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell G37+G42)				0			
202	Deemed Interest				77,518			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell E112)				0			
207								
208	Total Interest Variance				250,818			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 :		10,692	< - 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	+	3,542,053		3,542,053	
32	Distribution Revenue	+	59,411		59,411	
33	Other Income	+	60,259		60,259	
34	Miscellaneous income	+	21,749		21,749	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	3,241,511		3,241,511	
40	Administration	-	350,105		350,105	
41	Customer billing and collecting	-	98,380		98,380	
42	Operations and maintenance	-	130,362		130,362	
43	Amortization	-			0	
44	Ontario Capital Tax	-			0	
45		-			0	
46	Distribution	-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-136,887	0	-136,887	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-136,887	0	-136,887	
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	+		0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	106,879	0	106,879	
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"		4,350	0	4,350	
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		111,229	0	111,229	
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 - Software expensed per F/S	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	111,229	0	111,229	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	145,537		145,537	
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	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	145,537	0	145,537	
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	=	145,537	0	145,537	
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	=	-171,195	0	-171,195	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-171,195	0	-171,195	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	0	0	0	
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 FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	5,514		5,514	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	5,514	0	5,514	
161						

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 - 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				0	
48	Other - Please describe				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 - 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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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		+			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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			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 - ED-2002-0511					
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	Centre Wellington Hydro Ltd.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
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	+	3,002		3,002	
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	+	1,348		1,348	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	Ontario Capital Tax per books	+				
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	4,350	0	4,350	
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 per tax return	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63	Unrealized Revenue	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	Prospectus & underwriting fees	-			0	
71	Income not earned on movement of Regulatory A/Cs	-			0	
72	Deferred cost deductible (market ready)	-			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 - ED-2002-0511									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Centre Wellington Hydro Ltd.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to			>175,000		
11		Year	50,000		175,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%			28.12%		
15	and Ontario blended		6.00%		6.00%			12.50%		
16	Blended rate		19.12%		34.12%			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	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to			>175,000		
29		Year	50,000		175,000					
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		13.12%			13.12%		
33	Ontario	2001	6.00%		6.00%			6.00%		
34	Blended rate	2001	19.12%		19.12%			19.12%		
35										
36	Capital Tax Rate	2001	0.300%							
37	LCT rate	2001	0.225%							
38	Surtax	2001	1.12%							
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2001	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 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to			>175,000		
47		Year	50,000		175,000					
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		0.00%							
51	Ontario		0.00%							
52	Blended rate		0.00%		0.00%			0.00%		
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 \$10MM	10,000,000							
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 - ED-2002-0511														
2	Analysis of PILs Tax Account 1562:														
3	Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2001														0
5															
6															
7															
8	Year start:		01/08/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-											-4,277		-4,277
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-4,277		-4,277
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,447		208,974		882,421	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		66,007		508,778	
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"				6,736		6,736	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		292,247		624,561	
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	285,026		-61,427		223,599	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				605,923		605,923	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-555,026		-56,148	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-5.5600%		28.56%	
54								
55	REGULATORY INCOME TAX		170,217		-149,340		20,877	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-149,340		20,877	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,298,866		12,852,592	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,298,866		7,852,592	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		12,897		23,558	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,014,106		11,567,832	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,014,106		1,567,832	
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)		0		3,528		3,528	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		3,528		3,528	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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								
15								
16	III) INCLUSION IN RATES							
17								
18	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
19								
20	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2002	20,877	
21	LCT (proxy tax is grossed-up)	23	0			Actual 2002	3,528	
22	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2002	24,390	
23								
24								
25	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	269,036			Actual 2002	48,795	
26	RAM DECISION							
27								
28								
29	IV) FUTURE TRUE-UPS							
30	IV a) Calculation of the True-up Variance				DR/(CR)			
31	In Additions:							
32	Employee Benefit Plans - Accrued, Not Paid	3			0			
33	Tax reserves deducted in prior year	4			0			
34	Reserves from financial statements-end of year	4			0			
35	Regulatory Adjustments	5			0			
36	Other additions "Material" Items TAXREC	6			0			
37	Other additions "Material" Items TAXREC 2	6			0			
38	In Deductions - positive numbers							
39	Employee Benefit Plans - Paid Amounts	8			0			
40	Items Capitalized for Regulatory Purposes	9			0			
41	Regulatory Adjustments	10			0			
42	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
43	Tax reserves claimed in current year	4			0			
44	Reserves from F/S beginning of year	4			0			
45	Contributions to deferred income plans	3			0			
46	Contributions to pension plans	3			0			
47	Other deductions "Material" Items TAXREC	12			0			
48	Other deductions "Material" Item TAXREC 2	12			0			
49								
50	Total TRUE-UPS before tax effect	26		=	0			
51								
52	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	28.56%			
53								
54	Income Tax Effect on True-up adjustments			=	0			
55								
56	Less: Miscellaneous Tax Credits	14			0			
57								
58	Total Income Tax on True-ups				0			
59								
60	Income Tax Rate used for gross-up (exclude surtax)				27.44%			
61								
62	TRUE-UP VARIANCE ADJUSTMENT				0			
63								
64	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
65								
66	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	498,878			
67								
68	REVISED CORPORATE INCOME TAX RATE			x	28.56%			
69								
70	REVISED REGULATORY INCOME TAX			=	142,480			
71								
72	Less: Revised Miscellaneous Tax Credits			-	0			
73								
74	Total Revised Regulatory Income Tax			=	142,480			
75								
76	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
77								
78	Regulatory Income Tax Variance			=	-27,738			
79								

	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) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				27.44%			
176								
177	Income Tax (grossed-up)			+	-38,227			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-38,227			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-38,227			
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)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200	Interest deducted on MoF filing (Cell K36+K41)				223,599			
201	Total deemed interest (REGINFO CELL D61)				310,073			
202								
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				25,047			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	11,328,222		11,328,222	
32	Distribution Revenue	+	2,328,748		2,328,748	
33	Other Income	+	336,754		336,754	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,096,506		11,096,506	
40	Administration	-	534,239		534,239	
41	Customer billing and collecting	-	425,864		425,864	
42	Operations and maintenance	-	545,355		545,355	
43	Amortization	-	508,778		508,778	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-	0		0	
46	Interest on customer deposits	-	561		561	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	882,421	0	882,421	
51	Less: Interest expense for accounting purposes	-	223,599		223,599	
52	Provision for payments in lieu of income taxes	-	47,514		47,514	
53	Net Income (loss)	=	611,308	0	611,308	
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/Less Capital Tax included in Tax Provision	+	47,514	0	47,514	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,778	0	508,778	
62	Employee benefit plans-accrued, not paid	+	0	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"		6,736	0	6,736	
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		563,028	0	563,028	
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	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	563,028	0	563,028	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	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	

	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	
95						

	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	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	624,561		624,561	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		605,923	0	605,923	
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	=	1,230,484	0	1,230,484	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,230,484	0	1,230,484	
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	=	-56,148	0	-56,148	dd back
135	DEDUCT:					T
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-56,148	0	-56,148	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	20,877		20,877	
144	Subtotal	=	20,877	0	20,877	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	20,877	0	20,877	
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)		5.33%		5.33%	
151	Blended Income Tax Rate		5.33%	*****	5.33%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	20,877	0	20,877	
157	Ontario Capital Tax	+	24,390		24,390	
158	Federal Large Corporations Tax	+	3,528		3,528	
159						
160	Total income and capital taxes	=	48,795	0	48,795	
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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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		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 - 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: Centre Wellington Hydro Ltd.				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	+	4,218		4,218	
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	+	2,518		2,518	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	6,736	0	6,736	
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	Unrealized income-Loss carried forward	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-	29,904		29,904	
65		-			0	
66	Changes in Regulatory Asset balances	-	576,019		576,019	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		+			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	605,923	0	605,923	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
5	Reporting period: 2002									
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				>700,000	
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%		8.00%				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 2002 and Capital Tax Exemptions for 2002									
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	13.12%		26.12%				26.12%	
33	Ontario	2002	6.00%		8.00%				12.50%	
34	Blended rate	2002	19.12%		34.12%				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	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2002	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 2002 Tax Returns									
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%	
51	Ontario				5.33%				5.33%	
52	Blended rate		0.00%		31.45%				31.45%	
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 \$10MM	10,000,000							
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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2002														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:												True up for		
9	Year end:												01/01/2002		
10													31/12/2002	Total	
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-38,227		-38,227
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	-38,227	-38,227		
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	Rate Base-Estimate
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	673,447		59,705		733,152	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		70,404		513,175	
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		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"				212,812		212,812	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		252,970		585,284	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		67,913		352,939	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				130,179		130,179	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-108,141		390,737	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-9.2100%		24.91%	
54								
55	REGULATORY INCOME TAX		170,217		-132,778	Actual	37,439	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		170,217		-132,778	Actual	37,439	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,795,039		13,348,765	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,795,039		8,348,765	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		14,385		25,046	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,508,490		12,062,216	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,508,490		2,062,216	
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)		0		4,640		4,640	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		4,640		4,640	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2003	37,439	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	2,810	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2003	25,306	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2003	65,555	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			42,866			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26			-42,866			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utiliv's tax return			x	24.91%			

	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) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
7	Reporting period: 2003							
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			=	-10,678			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-10,678			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				23.79%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-14,011			
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)			=	498,878			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	24.91%			
139								
140	REVISED REGULATORY INCOME TAX			=	124,271			
141								
142	Less: Revised Miscellaneous Tax Credits		-		0			
143								
144	Total Revised Regulatory Income Tax			=	124,271			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-45,947			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base			=	8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				23.79%			
176								
177	Income Tax (grossed-up)			+	-60,290			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-60,290			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	-14,011			
184								
185	Total Deferral Account Entrv (Positive Entrv = Debit)			=	-74,301			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
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)				352,939			
202	Deemed Interest				310,073			
203								
204	Variance caused by excess debt				42,866			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				42,866			
207								
208	Total Interest Variance				-17,820			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,104,397		8,104,397	
32	Distribution Revenue	+	2,426,695		2,426,695	
33	Other Income	+	364,946		364,946	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,104,397		8,104,397	
40	Administration	-	667,175		667,175	
41	Customer billing and collecting	-	398,182		398,182	
42	Operations and maintenance	-	479,396		479,396	
43	Amortization	-	513,175		513,175	
44	Ontario Capital Tax	-	0		0	
45	Interest on customer deposits	-	561		561	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	733,152	0	733,152	
51	Less: Interest expense for accounting purposes	-	352,939		352,939	
52	Provision for payments in lieu of income taxes	-	49,795		49,795	
53	Net Income (loss)	=	330,418	0	330,418	
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	+	49,795	0	49,795	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	513,175	0	513,175	
62	Employee benefit plans-accrued, not paid	+	0	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"		212,812	0	212,812	
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		775,782	0	775,782	
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	Income for tax purposes not recorded for book purposes	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	775,782	0	775,782	
83						
84	Recap Material Additions:					
85			0	0	0	

TAXREC

	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	-	585,284		585,284	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		130,179	0	130,179	
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	=	715,463	0	715,463	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118			0		0	
119	Capital taxes included in tax provision:Deducted from Tax Provision (Line 101)	-	0		0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	715,463	0	715,463	
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	=	390,737	0	390,737	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	227,343		227,343	Add
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	163,394	0	163,394	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	22,244		22,244	
143	Net Ontario Income Tax (Must agree with tax return)	+	15,195		15,195	
144	Subtotal	=	37,439	0	37,439	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	37,439	0	37,439	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		4.53%		4.53%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		3.09%		3.09%	
151	Blended Income Tax Rate		7.62%		7.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	37,439	0	37,439	
157	Ontario Capital Tax	+	25,306		25,306	
158	Federal Large Corporations Tax	+	2,810		2,810	
159						
160	Total income and capital taxes	=	65,555	0	65,555	
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: Centre Wellington Hydro Ltd.					
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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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		+				
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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	+	2,062		2,062	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		100,000		100,000	
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	+	110,750		110,750	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+	0		0	
45	<i>Change in Settlement Variance</i>	+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	212,812	0	212,812	
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	-	4,545		4,545	
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	-	100,000		100,000	
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	-	25,306		25,306	
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	<i>Unrealized revenue - Non capital loss (Sch 4 tax return)</i>	-			0	
70	<i>Taxable dividends deductible under section 112 or 113</i>	-	328		328	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	130,179	0	130,179	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
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)		13.12%		26.12%		24.12%			
15	and Ontario blended		5.50%		8.00%		12.50%			
16	Blended rate		18.62%		34.12%		36.62%			
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		200,001 to 700,000		>700000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2003								
31	Federal (Includes surtax)	2003	13.12%		26.12%					
32	Ontario	2003	6.00%		12.50%					
33	Blended rate	2003	19.12%		34.12%		38.62%			
34										
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		200,001 to 700,000		>700,000			
46		Year								
47	Income Tax Rate									
48	Current year	2003								
49	Federal (Includes surtax)		4.53%		4.53%		24.12%		0.00%	
50	Ontario		3.09%		3.09%		12.50%		0.00%	
51	Blended rate		7.62%		7.62%		36.62%		0.00%	
52										
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 \$10MM	10,000,000							
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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2003														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)												-14,011		-14,011
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustment to reported prior years' variances (6)	+/-											-60,290		-60,290
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-74,301		-74,301
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,448
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,448		144,630		818,078	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		65,553		508,324	
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		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"				193,027		193,027	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		279,534		611,848	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		88,176		373,202	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				171,860		171,860	
49								
50	TAXABLE INCOME/ (LOSS)		498,879		-136,360		362,519	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-12.8400%		21.28%	
54								
55	REGULATORY INCOME TAX		170,217		-85,160		85,057	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-85,160		85,057	
61								
62								
63	III. CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,948,782		12,502,508	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,948,782		7,502,508	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		11,846		22,508	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,948,811		12,502,537	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		0		43,948,811		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2004	85,057	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2004	22,508	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2004	107,565	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			63,129			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-63,129			

	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) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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							\$	
121								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	21.28%			
123								
124	Income Tax Effect on True-up adjustments			=	-13,434			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-13,434			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				20.16%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-16,826			
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)			=	498,879			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	21.28%			
139								
140	REVISED REGULATORY INCOME TAX			=	106,161			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	106,161			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-64,056			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-41,446,274			
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)				20.16%			
176								
177	Income Tax (grossed-up)			+	-80,230			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-80,230			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	-16,826			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-97,057			
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)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200	Interest deducted on MoF filing (Cell K36+K41)				373,202			
201	Deemed Interest				310,073			
202								
203								
204	Variance caused by excess debt				63,129			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,129			
207								
208	Total Interest Variance				-38,083			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,887,465		8,887,465	
32	Distribution Revenue	+	2,424,493		2,424,493	
33	Other Income	+	255,755	0	255,755	
34	Miscellaneous income	+	102,054		102,054	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,887,465		8,887,465	
40	Administration	-	596,510	0	596,510	
41	Customer billing and collecting	-	402,211		402,211	
42	Operations and maintenance	-	455,973		455,973	
43	Amortization	-	508,324	0	508,324	
44	Ontario Capital Tax	-	0		0	
45	Recovery of regulatory assets - expense	-	0		0	
46	Interest on customer deposits	-	1,206		1,206	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	818,078	0	818,078	
51	Less: Interest expense for accounting purposes	-	373,202		373,202	
52	Provision for payments in lieu of income taxes	-	115,550		115,550	
53	Net Income (loss)	=	329,326	0	329,326	
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	+	115,550	0	115,550	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,324	0	508,324	
62	Employee benefit plans-accrued, not paid	+	0	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"		193,027	0	193,027	
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		816,901	0	816,901	
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	Ontario capital Tax per financial statements	+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	816,901	0	816,901	
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	-	611,848		611,848	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions- <i>Settlement Variance</i>	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		171,860	0	171,860	
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	=	783,708	0	783,708	
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	Capital taxes included in tax provision, deducted from tax provision, Line 59	-	0		0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	783,708	0	783,708	
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	=	362,519	0	362,519	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	362,519	0	362,519	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	67,302	0	67,302	
143	Net Ontario Income Tax (Must agree with tax return)	+	17,755	0	17,755	
144	Subtotal	=	85,057	0	85,057	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	85,057	0	85,057	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		18.89%		18.89%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		4.98%		4.98%	
151	Blended Income Tax Rate		23.88%		23.88%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	85,057	0	85,057	
157	Ontario Capital Tax	+	22,508		22,508	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	107,565	0	107,565	
161						

Tax Reserves

	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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
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		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	

	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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
12						
13						
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	
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	0	0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+	70,177		70,177	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	3,357		3,357	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		0		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	+	96,659		96,659	
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	<i>Ontario capital Tax per financial statements</i>	+	22,834		22,834	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	193,027	0	193,027	
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	-	34,216		34,216	
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		0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	22,508		22,508	
61		-			0	
62	Changes in Regulatory Asset balances	-	114,137		114,137	
63		-			0	
64	Assessment Notice	-	0		0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	<i>Settlement Variance</i>	-			0	
70	<i>Taxable dividends deductible under 112 or 113</i>	-	999		999	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	171,860	0	171,860	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
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					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		5.50%		6.00%		12.50%			
16	Blended rate		18.62%		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					
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					
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)			18.89%						
51	Ontario			4.98%						
52	Blended rate		0.00%	23.88%	0.00%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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: Centre Wellington Hydro Ltd.														
4	Reporting period: 2004														
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											-16,826		-16,826
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-80,230		-80,230
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-97,057		-97,057
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-0381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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	12-31-2005	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM		100.00%	59,180	59,180
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				732,628
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

A	B	C	D	E	F	G	H
1 PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2 PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3 TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4 ("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0					Version 2009.1	
6 Utility Name: Centre Wellington Hydro Ltd							
7 Reporting period: 2005							
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 I) CORPORATE INCOME TAXES							
15							
16 Regulatory Net Income REGINFO E53	1	732,628		230,279		962,907	
17							
18 BOOK TO TAX ADJUSTMENTS							
19 Additions:							
20 Depreciation & Amortization	2	442,771		52,576		495,347	
21 Employee Benefit Plans - Accrued, Not Paid	3			84,773		84,773	
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"				563,304		563,304	
31							
32 Deductions: Input positive numbers							
33 Capital Cost Allowance and CEC	7	332,314		326,575		658,889	
34 Employee Benefit Plans - Paid Amounts	8			0		0	
35 Items Capitalized for Regulatory Purposes	9	0		0		0	
36 Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37 Interest Expense Deemed/ Incurred	11	310,073		63,846		373,919	
38 Tax reserves - end of year	4			0		0	
39 Reserves from financial statements - beginning of year	4			0		0	
40 Contributions to deferred income plans	3			0		0	
41 Contributions to pension plans	3			0		0	
42 Interest capitalized for accounting but deducted for tax	11			0		0	
43 Other Deductions (See Tab entitled "TAXREC")		15,000					
44 "Material" Items from "TAXREC" worksheet	12			0		0	
45 C&DM 2005 Incremental OMA expenses per CDM Plan	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"				245,278		245,278	
49							
50 TAXABLE INCOME/ (LOSS)		518,012		295,233	Before loss C/F	828,245	
51							
52 BLENDED INCOME TAX RATE							
53 Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		-7.2100%		20.29%	
54							
55 REGULATORY INCOME TAX		142,453		104,413	Actual	246,866	
56							
57							
58 Miscellaneous Tax Credits	14			0	Actual	0	
59							
60 Total Regulatory Income Tax		142,453		104,413	Actual	246,866	
61							
62							
63 III) CAPITAL TAXES							
64							
65 Ontario							
66 Base	15	8,553,726		8,628,147		17,181,873	
67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		0		7,500,000	
68 Taxable Capital		1,053,726		8,628,147		9,681,873	
69							
70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71							
72 Ontario Capital Tax		3,161		25,884		29,046	
73							
74 Federal Large Corporations Tax							
75 Base	18	8,553,726		4,369,337		12,923,063	
76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-40,000,000		10,000,000	
77 Taxable Capital		0		-35,630,663		2,923,063	
78							
79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0500%		0.2250%	
80							
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		6,577		6,577	
82 Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83							
84 Net LCT		0		6,577		6,577	
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	196,487			Actual 2005	246,866	
91 LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92 Ontario Capital Tax (no gross-up since it is deductible)	24	3,161			Actual 2005	29,046	
93							
94							
95 Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	199,649			Actual 2005	275,912	
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			84,773			
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			63,846			
113 Tax reserves claimed in current year	4			0			
114 Reserves from F/S beginning of year	4			0			
115 Contributions to deferred income plans	3			0			
116 Contributions to pension plans	3			0			
117 Other deductions "Material" Items TAXREC	12			0			
118 Other deductions "Material" Item TAXREC 2	12			0			
119							
120 Total TRUE-UPS before tax effect	26			20,927			
121							
122 Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	20.29%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario A				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd							
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			=	4,246			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				4,246			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				19.17%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				5,253			
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)			=	518,012			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	20.29%			
139								
140	REVISED REGULATORY INCOME TAX			=	105,105			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	105,105			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	142,453			
147								
148	Regulatory Income Tax Variance			=	-37,349			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	1,053,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	3,161			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	3,161			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-41,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				19.17%			
176								
177	Income Tax (grossed-up)			+	-46,206			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-46,206			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	5,253			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-40,953			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates				25,046			
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)				373,919			
202	Maximum deemed interest REGINFO D70				310,073			
203								
204	Variance caused by excess debt				63,846			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,846			
207								
208	Total Interest Variance				-38,800			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd						
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 :		10,692	< - 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	+	11,122,082		11,122,082		
32	Distribution Revenue	+	2,453,777		2,453,777		
33	Other Income	+	160,100		160,100		
34	Miscellaneous income	+	367,250		367,250		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	11,122,082		11,122,082		
40	Administration	-	780,718		780,718		
41	Customer billing and collecting	-	261,470		261,470		
42	Operations and maintenance	-	524,826		524,826		
43	Amortization	-	447,230		447,230		
44	Interest on customer deposits	-	3,976		3,976		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	962,907	0	962,907		
51	Less: Interest expense for accounting purposes	-	373,919		373,919		
52	Provision for payments in lieu of income taxes	-	175,000		175,000		
53	Net Income (loss)	=	413,988	0	413,988		
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	+	175,000	0	175,000		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	495,347	0	495,347		
62	Employee benefit plans-accrued, not paid	+	84,773	0	84,773		
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"		563,304	0	563,304		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		1,318,424	0	1,318,424		
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	Change in Settlement Variance	+			0		
77	Depreciation Difference between Income statement & Schedule 1	+	0		0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	1,318,424	0	1,318,424		0
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
87			0	0	0		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	658,889		658,889		
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- <i>Change in settlement variance</i>	-			0		
104	Tax reserves - end of year	-	0	0	0		
105	Reserves from financial statements- beginning of year	-	0	0	0		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		245,278	0	245,278		
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	=	904,167	0	904,167		
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	Ontario Capital taxes per tax return	-			0		
120	Total Other Deductions	=	0	0	0		
121							
122	Total Deductions	=	904,167	0	904,167		
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	=	828,245	0	828,245		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	828,245	0	828,245		Net Taxable income per s
140							Less Recovery of regulatory a
141	FROM ACTUAL TAX RETURNS						Less Change in Settlement Var
142	Net Federal Income Tax (Must agree with tax return)	+	169,828	0	169,828		Add back Settlement Var
143	Net Ontario Income Tax (Must agree with tax return)	+	77,038	0	77,038		Add back Regulatory Assets recov
144	Subtotal	=	246,866	0	246,866		Taxable income before Unrealized Inc
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		Less:Small Business Dedu
146	Total Income Tax	=	246,866	0	246,866		Revised Net Taxable inc
147							
148	FROM ACTUAL TAX RETURNS						Effective Tax Rates
149	Net Federal Income Tax Rate (Must agree with tax return)		35.05%		35.05%		35.05%
150	Net Ontario Income Tax Rate (Must agree with tax return)		15.90%		15.90%		15.90%
151	Blended Income Tax Rate		50.95%		50.95%		50.95%
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	246,866	0	246,866		
157	Ontario Capital Tax	+	29,046		29,046		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	275,912	0	275,912		
161							

Tax Reserves

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		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		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		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 - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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 - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - EB-2008-0381					
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: Centre Wellington Hydro Ltd				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	+			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	+	3,651		3,651	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		103,200		103,200	
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-Recovery of Reg Assets	+	456,453		456,453	
41	Imputed interest expense on Regulatory Assets	+			0	
42	Change in Settlement Variance	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	563,304	0	563,304	
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	-	103,200		103,200	
58	Income from joint ventures or partnerships	-			0	
59	Taxable dividends deductible under section 112 or 113	-	318		318	
60	Ontario capital tax adjustments to current or prior year	-	29,046		29,046	
61		-			0	
62	Changes in Regulatory Asset balances	-	112,714		112,714	
63	Change in Settlement Variance	-			0	
64	Dividends	-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	245,278	0	245,278	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-0381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd									
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					
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					
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					
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)				35.05%					
51	Ontario				15.90%					
52	Blended rate		0.00%	0.00%	50.95%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,500,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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-2008-0381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Centre Wellington Hydro Ltd														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease										0
5															
6															
7															
8	Year start:		01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006							
9	Year end:		31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006							Total
10															
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
13	PILs proxy from April 1, 2005 - input 9/12 of amount										0				0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-		0	0										0
15	True-up Variance Adjustment (3)	+/-		0	0	0	0	0	0	0	5,253				5,253
16	Deferral Account Variance Adjustment Q4, 2001 (4)										0				0
17	Deferral Account Variance Adjustment (5)	+/-		0	0	0	0	0	0	0	-46,206				-46,206
18	Adjustments to reported prior years' variances (6)	+/-									0				0
19	Carrying charges (7)	+/-		0	0	0	0	0	0	0	0				0
20	PILs billed to (collected from) customers (8)	-	0	0	0	0	0	0	0	0	0				0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	-40,953				-40,953
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		true 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		true 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															

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Centre Wellington Hydro Ltd.

Disposition of Account 1562 – Deferred PILs

EB-2012-0052

Response to Board Staff Submission

June 20, 2012

Scenario B

	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: Centre Wellington Hydro Ltd.														
4	Reporting Period: 2001 to Apr 30, 2006				Sign Convention: + for increase; - for decrease										
5															
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		80,347		-7,961		-82,952		-159,851		-298,696		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	79,861		269,036		348,897		289,001		67,259		66,549		1,120,604
13	PILs proxy from April 1, 2005 - input 9/12 of amount										149,736				149,736
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			0		0								0
15	True-up Variance Adjustment (3)	+/-			0		0		-9,675		-14,248		4,723		-19,200
16	Deferral Account Variance Adjustment Q4, 2001 (4)				-27,244										-27,244
17	Deferral Account Variance Adjustment (5)	+/-			0		-91,258		-93,729		-93,729		-55,757		-334,473
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	486		4,621		-1,996		-8,307		-16,295		-6,000		-27,491
20	PILs billed to (collected from) customers (8)	-	0		-334,722		-330,634		-254,189		-231,568		-91,015		-1,242,127
21															
22	Ending balance: # 1562		80,347		-7,961		-82,952		-159,851		-298,696		-380,195		-380,195
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	true 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	true 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															

Centre Wellington Hydro Ltd.
1562 Deferred PILs Continuity Schedule

Year: Q4 2001

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
October	26,620.33	-		26,620.33	26,620.33	7.25%	-	-
November	26,620.33	-		26,620.33	53,240.67	7.25%	158.63	158.63
December	26,620.33	-		26,620.33	79,861.00	7.25%	327.83	486.46
Total	79,861.00	-	-	79,861.00			486.46	

Year: 2002

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	22,419.67	-		22,419.67	102,280.67	7.25%	491.75	978.21
February	22,419.67	-		22,419.67	124,700.33	7.25%	568.85	1,547.05
March	22,419.67	(33,472.18)		(11,052.51)	113,647.82	7.25%	767.85	2,314.90
April	22,419.67	(33,472.18)		(11,052.51)	102,595.31	7.25%	677.22	2,992.12
May	22,419.67	(33,472.18)		(11,052.51)	91,542.79	7.25%	631.73	3,623.85
June	22,419.67	(33,472.18)	(27,244.00)	(38,296.51)	53,246.28	7.25%	545.49	4,169.35
July	22,419.67	(33,472.18)		(11,052.51)	42,193.77	7.25%	327.87	4,497.21
August	22,419.67	(33,472.18)		(11,052.51)	31,141.25	7.25%	259.81	4,757.02
September	22,419.67	(33,472.18)		(11,052.51)	20,088.74	7.25%	185.57	4,942.59
October	22,419.67	(33,472.18)		(11,052.51)	9,036.23	7.25%	123.70	5,066.29
November	22,419.67	(33,472.18)		(11,052.51)	(2,016.29)	7.25%	53.85	5,120.13
December	22,419.67	(33,472.20)		(11,052.53)	(13,068.82)	7.25%	(12.42)	5,107.72
Total	269,036.00	(334,721.82)	(27,244.00)	(92,929.82)			4,621.26	

Year: 2003

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(4,205.23)		24,869.52	11,800.70	7.25%	(80.47)	5,027.25
February	29,074.75	(24,887.63)		4,187.12	15,987.82	7.25%	65.63	5,092.88
March	29,074.75	(29,598.86)		(524.11)	15,463.71	7.25%	98.45	5,191.32
April	29,074.75	(22,337.57)		6,737.18	22,200.89	7.25%	92.15	5,283.47
May	29,074.75	(33,730.02)		(4,655.27)	17,545.62	7.25%	136.70	5,420.17
June	29,074.75	(25,326.44)	(91,258.00)	(87,509.69)	(69,964.07)	7.25%	104.55	5,524.72
July	29,074.75	(30,384.86)		(1,310.11)	(71,274.18)	7.25%	(430.81)	5,093.92
August	29,074.75	(25,968.42)		3,106.33	(68,167.85)	7.25%	(438.87)	4,655.05
September	29,074.75	(29,372.95)		(298.20)	(68,466.05)	7.25%	(406.21)	4,248.84
October	29,074.75	(21,694.87)		7,379.88	(61,086.17)	7.25%	(421.58)	3,827.26
November	29,074.75	(25,067.03)		4,007.72	(57,078.45)	7.25%	(364.01)	3,463.25
December	29,074.75	(58,059.80)		(28,985.05)	(86,063.50)	7.25%	(351.46)	3,111.79
Total	348,897.00	(330,633.68)	(91,258.00)	(72,994.68)			(1,995.93)	

Year: 2004

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(743.32)		28,331.43	(57,732.07)	7.25%	(528.49)	2,583.30
February	29,074.75	(31,092.63)		(2,017.88)	(59,749.95)	7.25%	(331.64)	2,251.65
March	29,074.75	(33,951.74)		(4,876.99)	(64,626.94)	7.25%	(366.91)	1,884.75
April	22,419.67	(25,985.52)		(3,565.85)	(68,192.79)	7.25%	(384.05)	1,500.69
May	22,419.67	(16,912.94)		5,506.73	(62,686.07)	7.25%	(418.75)	1,081.94
June	22,419.67	(23,397.09)	(103,403.00)	(104,380.42)	(167,066.49)	7.25%	(372.52)	709.42
July	22,419.67	(15,901.36)		6,518.31	(160,548.18)	7.25%	(1,025.91)	(316.49)
August	22,419.67	(27,400.66)		(4,980.99)	(165,529.18)	7.25%	(985.88)	(1,302.37)
September	22,419.67	(19,761.08)		2,658.59	(162,870.59)	7.25%	(983.68)	(2,286.04)
October	22,419.67	(16,480.42)		5,939.25	(156,931.34)	7.25%	(1,000.14)	(3,286.18)
November	22,419.67	(24,490.20)		(2,070.53)	(159,001.88)	7.25%	(932.58)	(4,218.77)
December	22,419.67	(18,072.53)		4,347.14	(154,654.74)	7.25%	(976.38)	(5,195.15)
Total	289,001.25	(254,189.49)	(103,403.00)	(68,591.24)			(8,306.94)	

Year: 2005

Year:	2009									
	SIMPILS True									Total Variance
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)				
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative		
January	22,419.67	(26,344.01)		(3,924.34)	(158,579.08)	7.25%	(952.29)	(6,147.44)	(164,726.53)	
February	22,419.67	(28,205.55)		(5,785.88)	(164,364.97)	7.25%	(881.96)	(7,029.40)	(171,394.37)	
March	22,419.67	(27,466.39)		(5,046.72)	(169,411.69)	7.25%	(1,012.08)	(8,041.49)	(177,453.18)	
April	16,637.33	(20,539.75)		(3,902.42)	(173,314.11)	7.25%	(1,009.51)	(9,051.00)	(182,365.10)	
May	16,637.33	(17,186.01)		(548.68)	(173,862.78)	7.25%	(1,067.19)	(10,118.18)	(183,980.97)	
June	16,637.33	(17,406.50)	(107,977.00)	(108,746.17)	(282,608.95)	7.25%	(1,036.03)	(11,154.22)	(293,763.17)	
July	16,637.33	(13,123.16)		3,514.17	(279,094.78)	7.25%	(1,740.17)	(12,894.39)	(291,989.17)	
August	16,637.33	(23,394.86)		(6,757.53)	(285,852.30)	7.25%	(1,718.54)	(14,612.92)	(300,465.23)	
September	16,637.33	(15,339.38)		1,297.95	(284,554.35)	7.25%	(1,703.37)	(16,316.29)	(300,870.64)	
October	16,637.33	(14,413.33)		2,224.00	(282,330.35)	7.25%	(1,752.15)	(18,068.44)	(300,398.79)	
November	16,637.33	(16,722.62)		(85.29)	(282,415.63)	7.25%	(1,682.38)	(19,750.82)	(302,166.46)	
December	16,637.33	(11,426.00)		5,211.33	(277,204.30)	7.25%	(1,738.98)	(21,489.81)	(298,694.11)	
Total	216,995.00	(231,567.56)	(107,977.00)	(122,549.56)			(16,294.66)			

Year: 2006

Year:	2000								
	SIMPILS True								
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)			Total Variance
Monthly				Cumulative	Approved Interest Rate	Monthly	Cumulative		
January	16,637.33	(19,496.33)		(2,859.00)	(280,063.30)	7.25%	(1,706.89)	(23,196.70)	(303,260.00)
February	16,637.33	(21,625.37)		(4,988.04)	(285,051.33)	7.25%	(1,557.61)	(24,754.32)	(309,805.65)
March	16,637.33	(19,568.37)		(2,931.04)	(287,982.37)	7.25%	(1,755.21)	(26,509.53)	(314,491.90)
April	16,637.33	(30,324.76)		(13,687.43)	(301,669.80)	4.14%	(979.93)	(27,489.46)	(329,159.25)
May	-	-		-	(301,669.80)	4.14%	(1,060.72)	(28,550.18)	(330,219.97)
June	-	-	(51,034.00)	(51,034.00)	(352,703.80)	4.14%	(1,026.50)	(29,576.68)	(382,280.48)
July	-	-		-	(352,703.80)	4.59%	(1,374.97)	(30,951.65)	(383,655.44)
August	-	-		-	(352,703.80)	4.59%	(1,374.97)	(32,326.61)	(385,030.41)
September	-	-		-	(352,703.80)	4.59%	(1,330.61)	(33,657.22)	(386,361.02)
October	-	-		-	(352,703.80)	4.59%	(1,374.97)	(35,032.19)	(387,735.99)
November	-	-		-	(352,703.80)	4.59%	(1,330.61)	(36,362.80)	(389,066.60)
December	-	-		-	(352,703.80)	4.59%	(1,374.97)	(37,737.76)	(390,441.56)
Total	66,549.33	(91,014.83)	(51,034.00)	(75,499.50)			(16,247.96)		

Year: 2007

			SIMPILS True						
	Approved PILs	PILs Revenue	Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Entitlement	(neg = CR)	Adjustments	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
			(neg=CR)						
January	-	-		-	(352,703.80)	4.59%	(1,374.97)	(39,112.73)	(391,816.53)
February	-	-		-	(352,703.80)	4.59%	(1,241.90)	(40,354.63)	(393,058.43)
March	-	-		-	(352,703.80)	4.59%	(1,374.97)	(41,729.60)	(394,433.40)
April	-	-		-	(352,703.80)	4.59%	(1,330.61)	(43,060.21)	(395,764.01)
May	-	-		-	(352,703.80)	4.59%	(1,374.97)	(44,435.18)	(397,138.97)
June	-	-		-	(352,703.80)	4.59%	(1,330.61)	(45,765.79)	(398,469.58)
July	-	-		-	(352,703.80)	4.59%	(1,374.97)	(47,140.75)	(399,844.55)
August	-	-		-	(352,703.80)	4.59%	(1,374.97)	(48,515.72)	(401,219.51)
September	-	-		-	(352,703.80)	4.59%	(1,330.61)	(49,846.33)	(402,550.12)
October	-	-		-	(352,703.80)	5.14%	(1,539.72)	(51,386.05)	(404,089.85)
November	-	-		-	(352,703.80)	5.14%	(1,490.05)	(52,876.10)	(405,579.90)
December	-	-		-	(352,703.80)	5.14%	(1,539.72)	(54,415.82)	(407,119.62)
Total	-	-	-	-			(16,678.06)		

Year: 2008

			SIMPILS True						
	Approved PILs	PILs Revenue	Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Entitlement	(neg = CR)	Adjustments	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
			(neg=CR)						
January	-	-		-	(352,703.80)	5.14%	(1,535.51)	(55,951.34)	(408,655.13)
February	-	-		-	(352,703.80)	5.14%	(1,436.45)	(57,387.79)	(410,091.58)
March	-	-		-	(352,703.80)	5.14%	(1,535.51)	(58,923.30)	(411,627.10)
April	-	-		-	(352,703.80)	4.08%	(1,179.53)	(60,102.83)	(412,806.63)
May	-	-		-	(352,703.80)	4.08%	(1,218.85)	(61,321.69)	(414,025.48)
June	-	-		-	(352,703.80)	4.08%	(1,179.53)	(62,501.22)	(415,205.02)
July	-	-		-	(352,703.80)	3.35%	(1,000.77)	(63,501.99)	(416,205.79)
August	-	-		-	(352,703.80)	3.35%	(1,000.77)	(64,502.77)	(417,206.56)
September	-	-		-	(352,703.80)	3.35%	(968.49)	(65,471.26)	(418,175.05)
October	-	-		-	(352,703.80)	3.35%	(1,000.77)	(66,472.03)	(419,175.83)
November	-	-		-	(352,703.80)	3.35%	(968.49)	(67,440.52)	(420,144.32)
December	-	-		-	(352,703.80)	3.35%	(1,000.77)	(68,441.29)	(421,145.09)
Total	-	-	-	-			(14,025.47)		

Year: 2009

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(352,703.80)	2.45%	(733.91)	(69,175.21)
February	-	-	-	-	(352,703.80)	2.45%	(662.89)	(69,838.10)
March	-	-	-	-	(352,703.80)	2.45%	(733.91)	(70,572.01)
April	-	-	-	-	(352,703.80)	1.00%	(289.89)	(70,861.90)
May	-	-	-	-	(352,703.80)	1.00%	(299.56)	(71,161.46)
June	-	-	-	-	(352,703.80)	1.00%	(289.89)	(71,451.35)
July	-	-	-	-	(352,703.80)	0.55%	(164.76)	(71,616.11)
August	-	-	-	-	(352,703.80)	0.55%	(164.76)	(71,780.87)
September	-	-	-	-	(352,703.80)	0.55%	(159.44)	(71,940.31)
October	-	-	-	-	(352,703.80)	0.55%	(164.76)	(72,105.06)
November	-	-	-	-	(352,703.80)	0.55%	(159.44)	(72,264.50)
December	-	-	-	-	(352,703.80)	0.55%	(164.76)	(72,429.26)
Total	-	-	-	-	-	-	(3,987.97)	-

Year: 2010

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(352,703.80)	0.55%	(164.76)	(72,594.02)
February	-	-	-	-	(352,703.80)	0.55%	(148.81)	(72,742.83)
March	-	-	-	-	(352,703.80)	0.55%	(164.76)	(72,907.58)
April	-	-	-	-	(352,703.80)	0.55%	(159.44)	(73,067.03)
May	-	-	-	-	(352,703.80)	0.55%	(164.76)	(73,231.78)
June	-	-	-	-	(352,703.80)	0.55%	(159.44)	(73,391.22)
July	-	-	-	-	(352,703.80)	0.89%	(266.61)	(73,657.83)
August	-	-	-	-	(352,703.80)	0.89%	(266.61)	(73,924.43)
September	-	-	-	-	(352,703.80)	0.89%	(258.01)	(74,182.44)
October	-	-	-	-	(352,703.80)	1.20%	(359.47)	(74,541.91)
November	-	-	-	-	(352,703.80)	1.20%	(347.87)	(74,889.78)
December	-	-	-	-	(352,703.80)	1.20%	(359.47)	(75,249.25)
Total	-	-	-	-	-	-	(2,819.99)	-

Year: 2011

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(352,703.80)	1.47%	(440.35)	(75,689.60)
February	-	-	-	-	(352,703.80)	1.47%	(397.73)	(76,087.33)
March	-	-	-	-	(352,703.80)	1.47%	(440.35)	(76,527.68)
April	-	-	-	-	(352,703.80)	1.47%	(426.14)	(76,953.82)
May	-	-	-	-	(352,703.80)	1.47%	(440.35)	(77,394.17)
June	-	-	-	-	(352,703.80)	1.47%	(426.14)	(77,820.31)
July	-	-	-	-	(352,703.80)	1.47%	(440.35)	(78,260.66)
August	-	-	-	-	(352,703.80)	1.47%	(440.35)	(78,701.01)
September	-	-	-	-	(352,703.80)	1.47%	(426.14)	(79,127.15)
October	-	-	-	-	(352,703.80)	1.47%	(440.35)	(79,567.50)
November	-	-	-	-	(352,703.80)	1.47%	(426.14)	(79,993.65)
December	-	-	-	-	(352,703.80)	1.47%	(440.35)	(80,433.99)
Total	-	-	-	-	-	-	(5,184.75)	-

Year: 2012

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-	-	-	(352,703.80)	1.47%	(439.15)	(80,873.14)
February	-	-	-	-	(352,703.80)	1.47%	(410.81)	(81,283.95)
March	-	-	-	-	(352,703.80)	1.47%	(439.15)	(81,723.10)
April	-	-	-	-	(352,703.80)	1.47%	(424.98)	(82,148.08)
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	(1,714.08)	-

Grand totals	1,270,339.58	(1,242,127.38)	(380,916.00)	(352,703.80)			(82,148.08)	(434,851.87)
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	A	B	C	D	E
1	PILs TAXES - ED-2002-0511				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Centre Wellington Hydro Ltd.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2001	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
31	Rate Base (wires-only)			8,553,726	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			732,627	
43	1999 return from RUD Sheet #7			555,088	555,088
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			4,932	4,932
48	Amount allowed in 2002			113,427	0
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	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				560,020
56	Equity			4,276,863	
58	Return at target ROE			422,554	
60	Debt			4,276,863	
62	Deemed interest amount in 100% of MARR			310,073	
64	Phase-in of interest - Year 1 (2001)			237,020	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	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	140,005		-276,892		-136,887	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	110,693		-3,814		106,879	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		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"				4,350		4,350	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	42,391		103,146		145,537	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	59,255		-59,255		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		149,052		-320,247		-171,195	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.0000%		19.12%	
54								
55	REGULATORY INCOME TAX		50,857		-50,857	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		50,857		-50,857	Actual	0	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,738,802		12,292,528	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,738,802		7,292,528	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		2,665		9,012		11,677	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,738,801		12,292,527	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,738,801		2,292,527	
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)		0		2,162		2,162	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		2,162		2,162	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude-surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	77,196			Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	2,665			Actual 2001	5,514	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001 RAM DECISION	25	79,861			Actual 2001	5,514	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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 E206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
121								
122	Income Tax Rate from 2001 Utility's tax return			x	19.12%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.000%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	149,052			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	28,499			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	28,499			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	50,857			
147								
148	Regulatory Income Tax Variance			=	-22,358			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	2,687			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	2,665			
159	Regulatory Ontario Capital Tax Variance			=	22			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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 C84)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	Income Tax (grossed-up)			+	-27,266			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	22			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-27,244			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-27,244			
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)				310,073			
194	Interest phased-in (Cell C37)				59,255			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				250,818			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell G37+G42)				0			
202	Deemed Interest				77,518			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell E112)				0			
207								
208	Total Interest Variance				250,818			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 :		10,692	< - 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	+	3,542,053		3,542,053	
32	Distribution Revenue	+	59,411		59,411	
33	Other Income	+	60,259		60,259	
34	Miscellaneous income	+	21,749		21,749	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	3,241,511		3,241,511	
40	Administration	-	350,105		350,105	
41	Customer billing and collecting	-	98,380		98,380	
42	Operations and maintenance	-	130,362		130,362	
43	Amortization	-			0	
44	Ontario Capital Tax	-			0	
45		-			0	
46	Distribution	-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-136,887	0	-136,887	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-136,887	0	-136,887	
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	+		0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	106,879	0	106,879	
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"		4,350	0	4,350	
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		111,229	0	111,229	
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 - Software expensed per F/S	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	111,229	0	111,229	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	145,537		145,537	
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	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	145,537	0	145,537	
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	=	145,537	0	145,537	
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	=	-171,195	0	-171,195	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-171,195	0	-171,195	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	0	0	0	
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 FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	5,514		5,514	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	5,514	0	5,514	
161						

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 - 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				0	
48	Other - Please describe				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 - 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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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		+			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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			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 - ED-2002-0511					
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	Centre Wellington Hydro Ltd.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
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	+	3,002		3,002	
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	+	1,348		1,348	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	Ontario Capital Tax per books	+				
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	4,350	0	4,350	
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 per tax return	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63	Unrealized Revenue	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	Prospectus & underwriting fees	-			0	
71	Income not earned on movement of Regulatory A/Cs	-			0	
72	Deferred cost deductible (market ready)	-			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 - ED-2002-0511									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Centre Wellington Hydro Ltd.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to			>175,000		
11		Year	50,000		175,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%			28.12%		
15	and Ontario blended		6.00%		6.00%			12.50%		
16	Blended rate		19.12%		34.12%			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	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to			>175,000		
29		Year	50,000		175,000					
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		13.12%			13.12%		
33	Ontario	2001	6.00%		6.00%			6.00%		
34	Blended rate	2001	19.12%		19.12%			19.12%		
35										
36	Capital Tax Rate	2001	0.300%							
37	LCT rate	2001	0.225%							
38	Surtax	2001	1.12%							
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2001	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 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to			>175,000		
47		Year	50,000		175,000					
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		0.00%							
51	Ontario		0.00%							
52	Blended rate		0.00%		0.00%			0.00%		
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 \$10MM	10,000,000							
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 - ED-2002-0511														
2	Analysis of PILs Tax Account 1562:														
3	Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2001														0
5															
6															
7															
8	Year start:		01/08/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-											-27,244		-27,244
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-27,244		-27,244
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,447		208,974		882,421	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		66,007		508,778	
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"				6,736		6,736	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		292,247		624,561	
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	285,026		-61,427		223,599	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				605,923		605,923	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-555,026		-56,148	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.0000%		19.12%	
54								
55	REGULATORY INCOME TAX		170,217		-149,340		20,877	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-149,340		20,877	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,298,866		12,852,592	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,298,866		7,852,592	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		12,897		23,558	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,014,106		11,567,832	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,014,106		1,567,832	
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)		0		3,528		3,528	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		3,528		3,528	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2002	20,877	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2002	3,528	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2002	24,390	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	269,036			Actual 2002	48,795	
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 I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	19.12%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	498,878			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	95,386			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	95,386			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-74,832			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				18.00%			
176								
177	Income Tax (grossed-up)			+	-91,258			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-91,258			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-91,258			
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)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200	Interest deducted on MoF filing (Cell K36+K41)				223,599			
201	Total deemed interest (REGINFO CELL D61)				310,073			
202								
203	Variance caused by excess debt				0			
204								
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				25,047			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	11,328,222		11,328,222	
32	Distribution Revenue	+	2,328,748		2,328,748	
33	Other Income	+	336,754		336,754	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,096,506		11,096,506	
40	Administration	-	534,239		534,239	
41	Customer billing and collecting	-	425,864		425,864	
42	Operations and maintenance	-	545,355		545,355	
43	Amortization	-	508,778		508,778	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-	0		0	
46	Interest on customer deposits	-	561		561	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	882,421	0	882,421	
51	Less: Interest expense for accounting purposes	-	223,599		223,599	
52	Provision for payments in lieu of income taxes	-	47,514		47,514	
53	Net Income (loss)	=	611,308	0	611,308	
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/Less Capital Tax included in Tax Provision	+	47,514	0	47,514	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,778	0	508,778	
62	Employee benefit plans-accrued, not paid	+	0	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"		6,736	0	6,736	
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		563,028	0	563,028	
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	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	563,028	0	563,028	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	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	

	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	
95						

	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	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	624,561		624,561	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		605,923	0	605,923	
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	=	1,230,484	0	1,230,484	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,230,484	0	1,230,484	
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	=	-56,148	0	-56,148	dd back
135	DEDUCT:					T
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-56,148	0	-56,148	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	20,877		20,877	
144	Subtotal	=	20,877	0	20,877	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	20,877	0	20,877	
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)		5.33%		5.33%	
151	Blended Income Tax Rate		5.33%	*****	5.33%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	20,877	0	20,877	
157	Ontario Capital Tax	+	24,390		24,390	
158	Federal Large Corporations Tax	+	3,528		3,528	
159						
160	Total income and capital taxes	=	48,795	0	48,795	
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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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		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 - 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: Centre Wellington Hydro Ltd.				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	+	4,218		4,218	
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	+	2,518		2,518	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	6,736	0	6,736	
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	Unrealized income-Loss carried forward	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-	29,904		29,904	
65		-			0	
66	Changes in Regulatory Asset balances	-	576,019		576,019	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		+			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	605,923	0	605,923	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
5	Reporting period: 2002									
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					
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%		8.00%		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 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0		200,001					
28	Expected Rates		to		to					
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		26.12%		26.12%			
33	Ontario	2002	6.00%		8.00%		12.50%			
34	Blended rate	2002	19.12%		34.12%		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	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2002	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 2002 Tax Returns									
45	Income Range		0		200,001					
46			to		to					
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)				26.12%					
51	Ontario				5.33%					
52	Blended rate		0.00%		31.45%		0.00%			
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 \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

26.12%
5.33%
31.45%

	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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2002														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:												True up for		
9	Year end:												01/01/2002		
10													31/12/2002	Total	
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-91,258		-91,258
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	-91,258	-91,258		
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	Rate Base-Estimate
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
7	Reporting period: 2003							
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	673,447		59,705		733,152	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		70,404		513,175	
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		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"				212,812		212,812	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		252,970		585,284	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		67,913		352,939	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				130,179		130,179	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-108,141		390,737	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.5000%		18.62%	
54								
55	REGULATORY INCOME TAX		170,217		-132,778	Actual	37,439	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		170,217		-132,778	Actual	37,439	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,795,039		13,348,765	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,795,039		8,348,765	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		14,385		25,046	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,508,490		12,062,216	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,508,490		2,062,216	
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)		0		4,640		4,640	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		4,640		4,640	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2003	37,439	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	2,810	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2003	25,306	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2003	65,555	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			42,866			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26			-42,866			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utiliv's tax return			x	18.62%			

	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) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
7	Reporting period: 2003							
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			=	-7,982			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-7,982			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-9,675			
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)			=	498,878			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	92,891			
141								
142	Less: Revised Miscellaneous Tax Credits		-		0			
143								
144	Total Revised Regulatory Income Tax			=	92,891			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-77,326			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base			=	8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	-93,729			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-93,729			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	-9,675			
184								
185	Total Deferral Account Entrv (Positive Entrv = Debit)			=	-103,403			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
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)				352,939			
202	Deemed Interest				310,073			
203								
204	Variance caused by excess debt				42,866			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				42,866			
207								
208	Total Interest Variance				-17,820			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,104,397		8,104,397	
32	Distribution Revenue	+	2,426,695		2,426,695	
33	Other Income	+	364,946		364,946	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,104,397		8,104,397	
40	Administration	-	667,175		667,175	
41	Customer billing and collecting	-	398,182		398,182	
42	Operations and maintenance	-	479,396		479,396	
43	Amortization	-	513,175		513,175	
44	Ontario Capital Tax	-	0		0	
45	Interest on customer deposits	-	561		561	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	733,152	0	733,152	
51	Less: Interest expense for accounting purposes	-	352,939		352,939	
52	Provision for payments in lieu of income taxes	-	49,795		49,795	
53	Net Income (loss)	=	330,418	0	330,418	
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	+	49,795	0	49,795	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	513,175	0	513,175	
62	Employee benefit plans-accrued, not paid	+	0	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"		212,812	0	212,812	
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		775,782	0	775,782	
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	Income for tax purposes not recorded for book purposes	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	775,782	0	775,782	
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	-	585,284		585,284	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		130,179	0	130,179	
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	=	715,463	0	715,463	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118			0		0	
119	Capital taxes included in tax provision:Deducted from Tax Provision (Line 101)	-	0		0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	715,463	0	715,463	
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	=	390,737	0	390,737	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	227,343		227,343	Add
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	163,394	0	163,394	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	22,244		22,244	
143	Net Ontario Income Tax (Must agree with tax return)	+	15,195		15,195	
144	Subtotal	=	37,439	0	37,439	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	37,439	0	37,439	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		4.53%		4.53%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		3.09%		3.09%	
151	Blended Income Tax Rate		7.62%		7.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	37,439	0	37,439	
157	Ontario Capital Tax	+	25,306		25,306	
158	Federal Large Corporations Tax	+	2,810		2,810	
159						
160	Total income and capital taxes	=	65,555	0	65,555	
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: Centre Wellington Hydro Ltd.					
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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	+	2,062		2,062	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		100,000		100,000	
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	+	110,750		110,750	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+	0		0	
45	<i>Change in Settlement Variance</i>	+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	212,812	0	212,812	
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	-	4,545		4,545	
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	-	100,000		100,000	
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	-	25,306		25,306	
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	<i>Unrealized revenue - Non capital loss (Sch 4 tax return)</i>	-			0	
70	<i>Taxable dividends deductible under section 112 or 113</i>	-	328		328	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	130,179	0	130,179	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
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)		13.12%		26.12%		24.12%			
15	and Ontario blended		5.50%		8.00%		12.50%			
16	Blended rate		18.62%		34.12%		36.62%			
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		200,001 to 700,000		>700000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2003								
31	Federal (Includes surtax)	2003	13.12%		26.12%		24.12%			
32	Ontario	2003	6.00%		12.50%		12.50%			
33	Blended rate	2003	19.12%		34.12%		38.62%			
34										
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		200,001 to 700,000		>700,000			
46		Year								
47	Income Tax Rate									
48	Current year	2003								
49	Federal (Includes surtax)		4.53%		4.53%		24.12%		0.00%	
50	Ontario		3.09%		3.09%		12.50%		0.00%	
51	Blended rate		7.62%		7.62%		36.62%		0.00%	
52										
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 \$10MM	10,000,000							
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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2003														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)												-9,675		-9,675
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustment to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-103,403		-103,403
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,448
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,448		144,630		818,078	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		65,553		508,324	
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		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"				193,027		193,027	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		279,534		611,848	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		88,176		373,202	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				171,860		171,860	
49								
50	TAXABLE INCOME/ (LOSS)		498,879		-136,360		362,519	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.5000%		18.62%	
54								
55	REGULATORY INCOME TAX		170,217		-85,160		85,057	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-85,160		85,057	
61								
62								
63	III. CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,948,782		12,502,508	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,948,782		7,502,508	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		11,846		22,508	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,948,811		12,502,537	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		0		43,948,811		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2004	85,057	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2004	22,508	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2004	107,565	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			63,129			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-63,129			

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) Scenario B				Variance	Variance		
4 ("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0					Version 2009.1	
6 Utility Name: Centre Wellington Hydro Ltd.							
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							
121							
122 Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	18.62%			
123							
124 Income Tax Effect on True-up adjustments			=	-11,755			
125							
126 Less: Miscellaneous Tax Credits	14			0			
127							
128 Total Income Tax on True-ups				-11,755			
129							
130 Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131							
132 TRUE-UP VARIANCE ADJUSTMENT				-14,248			
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			=	498,879			
137 estimate column)							
138 REVISED CORPORATE INCOME TAX RATE			x	18.62%			
139							
140 REVISED REGULATORY INCOME TAX			=	92,891			
141							
142 Less: Revised Miscellaneous Tax Credits			-	0			
143							
144 Total Revised Regulatory Income Tax			=	92,891			
145							
146 Less: Regulatory Income Tax reported in the Initial Estimate Column			-	170,217			
147 (Cell C58)							
148 Regulatory Income Tax Variance			=	-77,326			
149							
150 Ontario Capital Tax							
151 Base			=	8,553,726			
152 Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153 Revised deemed taxable capital			=	3,553,726			
154							
155 Rate - Tab Tax Rates cell C54			x	0.3000%			
156							
157 Revised Ontario Capital Tax			=	10,661			
158 Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	10,661			
159 C70)							
160 Regulatory Ontario Capital Tax Variance			=	0			
161							
161 Federal LCT							
162 Base			=	8,553,726			
163 Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164 Revised Federal LCT			=	-41,446,274			
165							
166 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167							
168 Gross Amount				0			
169 Less: Federal surtax			-	0			
170 Revised Net LCT			=	0			
171							
172 Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173 Regulatory Federal LCT Variance			=	0			
174							
175 Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176							
177 Income Tax (grossed-up)			+	-93,729			
178 LCT (grossed-up)			+	0			
179 Ontario Capital Tax			+	0			
180							
181 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-93,729			
182							
183 TRUE-UP VARIANCE (from cell I132)			+	-14,248			
184							
185 Total Deferral Account Entry (Positive Entry = Debit)			=	-107,977			
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)				310,073			
194 Interest phased-in (Cell C36)				285,026			
195							
196 Variance due to phase-in of debt component of MARR in rates				25,047			
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)				373,202			
202 Deemed Interest				310,073			
203							
204 Variance caused by excess debt				63,129			
205							
206 Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,129			
207							
208 Total Interest Variance				-38,083			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,887,465		8,887,465	
32	Distribution Revenue	+	2,424,493		2,424,493	
33	Other Income	+	255,755	0	255,755	
34	Miscellaneous income	+	102,054		102,054	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,887,465		8,887,465	
40	Administration	-	596,510	0	596,510	
41	Customer billing and collecting	-	402,211		402,211	
42	Operations and maintenance	-	455,973		455,973	
43	Amortization	-	508,324	0	508,324	
44	Ontario Capital Tax	-	0		0	
45	Recovery of regulatory assets - expense	-	0		0	
46	Interest on customer deposits	-	1,206		1,206	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	818,078	0	818,078	
51	Less: Interest expense for accounting purposes	-	373,202		373,202	
52	Provision for payments in lieu of income taxes	-	115,550		115,550	
53	Net Income (loss)	=	329,326	0	329,326	
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	+	115,550	0	115,550	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,324	0	508,324	
62	Employee benefit plans-accrued, not paid	+	0	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"		193,027	0	193,027	
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		816,901	0	816,901	
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	Ontario capital Tax per financial statements	+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	816,901	0	816,901	
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	<i>Total Other additions >materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	611,848		611,848	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions- Settlement Variance</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	Items on which true-up does not apply "TAXREC 3"		171,860	0	171,860	
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	=	783,708	0	783,708	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119	<i>Capital taxes included in tax provision, deducted from tax provision, Line 59</i>	-	0		0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	783,708	0	783,708	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	<i>Other Deductions less than materiality level</i>		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	362,519	0	362,519	
135	DEDUCT:					
136	Non-capital loss applied <i>positive number</i>	-	0		0	
137	Net capital loss applied <i>positive number</i>	-			0	
138					0	
139	NET TAXABLE INCOME	=	362,519	0	362,519	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax <i>(Must agree with tax return)</i>	+	67,302	0	67,302	
143	Net Ontario Income Tax <i>(Must agree with tax return)</i>	+	17,755	0	17,755	
144	Subtotal	=	85,057	0	85,057	
145	Less: Miscellaneous tax credits <i>(Must agree with tax returns)</i>	-	0		0	
146	Total Income Tax	=	85,057	0	85,057	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate <i>(Must agree with tax return)</i>		18.89%		18.89%	
150	Net Ontario Income Tax Rate <i>(Must agree with tax return)</i>		4.98%		4.98%	
151	Blended Income Tax Rate		23.88%		23.88%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	85,057	0	85,057	
157	Ontario Capital Tax	+	22,508		22,508	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	107,565	0	107,565	
161						

Tax Reserves

	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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
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		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	

	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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
12						
13						
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	
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	0	0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+	70,177		70,177	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	3,357		3,357	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		0		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	+	96,659		96,659	
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	<i>Ontario capital Tax per financial statements</i>	+	22,834		22,834	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	193,027	0	193,027	
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	-	34,216		34,216	
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		0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	22,508		22,508	
61		-			0	
62	Changes in Regulatory Asset balances	-	114,137		114,137	
63		-			0	
64	Assessment Notice	-	0		0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	<i>Settlement Variance</i>	-			0	
70	<i>Taxable dividends deductible under 112 or 113</i>	-	999		999	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	171,860	0	171,860	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
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					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		5.50%		6.00%		12.50%			
16	Blended rate		18.62%		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					
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					
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)			18.89%						
51	Ontario			4.98%						
52	Blended rate		0.00%	23.88%	0.00%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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: Centre Wellington Hydro Ltd.														
4	Reporting period: 2004														
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											-14,248		-14,248
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-93,729		-93,729
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-107,977		-107,977
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-0381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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	12-31-2005	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM		100.00%	59,180	59,180
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				732,628
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd							
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	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	732,628		230,279		962,907	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		52,576		495,347	
21	Employee Benefit Plans - Accrued, Not Paid	3			84,773		84,773	
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"				563,304		563,304	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		326,575		658,889	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	310,073		63,846		373,919	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")		15,000					
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	C&DM 2005 Incremental OMA expenses per CDM Plan	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"				245,278		245,278	
49								
50	TAXABLE INCOME/ (LOSS)		518,012		295,233	Before loss C/F	828,245	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		-8.8800%		18.62%	
54								
55	REGULATORY INCOME TAX		142,453		104,413	Actual	246,866	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		142,453		104,413	Actual	246,866	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		8,628,147		17,181,873	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		0		7,500,000	
68	Taxable Capital		1,053,726		8,628,147		9,681,873	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		3,161		25,884		29,046	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		4,369,337		12,923,063	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-40,000,000		10,000,000	
77	Taxable Capital		0		-35,630,663		2,923,063	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0500%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		6,577		6,577	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		6,577		6,577	
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	196,487			Actual 2005	246,866	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	3,161			Actual 2005	29,046	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	199,649			Actual 2005	275,912	
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			84,773			
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			63,846			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26			20,927			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	18.62%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario B				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd							
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								
124	Income Tax Effect on True-up adjustments			=	3,897			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				3,897			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				4,723			
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)			=	518,012			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	96,454			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	96,454			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	142,453			
147								
148	Regulatory Income Tax Variance			=	-46,000			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	1,053,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	3,161			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	3,161			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-41,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	-55,757			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-55,757			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	4,723			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-51,034			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates				25,046			
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)				373,919			
202	Maximum deemed interest REGINFO D70				310,073			
203								
204	Variance caused by excess debt				63,846			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,846			
207								
208	Total Interest Variance				-38,800			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd						
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 :		10,692	< - 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	+	11,122,082		11,122,082		
32	Distribution Revenue	+	2,453,777		2,453,777		
33	Other Income	+	160,100		160,100		
34	Miscellaneous income	+	367,250		367,250		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	11,122,082		11,122,082		
40	Administration	-	780,718		780,718		
41	Customer billing and collecting	-	261,470		261,470		
42	Operations and maintenance	-	524,826		524,826		
43	Amortization	-	447,230		447,230		
44	Interest on customer deposits	-	3,976		3,976		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	962,907	0	962,907		
51	Less: Interest expense for accounting purposes	-	373,919		373,919		
52	Provision for payments in lieu of income taxes	-	175,000		175,000		
53	Net Income (loss)	=	413,988	0	413,988		
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	+	175,000	0	175,000		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	495,347	0	495,347		
62	Employee benefit plans-accrued, not paid	+	84,773	0	84,773		
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"		563,304	0	563,304		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		1,318,424	0	1,318,424		
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	Change in Settlement Variance	+			0		
77	Depreciation Difference between Income statement & Schedule 1	+	0		0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	1,318,424	0	1,318,424		0
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
87			0	0	0		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	658,889		658,889		
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- <i>Change in settlement variance</i>	-			0		
104	Tax reserves - end of year	-	0	0	0		
105	Reserves from financial statements- beginning of year	-	0	0	0		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		245,278	0	245,278		
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	=	904,167	0	904,167		
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	Ontario Capital taxes per tax return	-			0		
120	Total Other Deductions	=	0	0	0		
121							
122	Total Deductions	=	904,167	0	904,167		
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	=	828,245	0	828,245		
135	DEDUCT:						
136	Non-capital loss applied <i>positive number</i>	-	0		0		
137	Net capital loss applied <i>positive number</i>	-			0		
138					0		
139	NET TAXABLE INCOME	=	828,245	0	828,245		
140							Net Taxable income per s
141	FROM ACTUAL TAX RETURNS						Less Recovery of regulatory a
142	Net Federal Income Tax <i>(Must agree with tax return)</i>	+	169,828	0	169,828		Less Change in Settlement Var
143	Net Ontario Income Tax <i>(Must agree with tax return)</i>	+	77,038	0	77,038		Add back Settlement Var
144	Subtotal	=	246,866	0	246,866		Add back Regulatory Assets recov
145	Less: Miscellaneous tax credits <i>(Must agree with tax returns)</i>	-	0		0		Taxable income before Unrealized Inc
146	Total Income Tax	=	246,866	0	246,866		Less:Small Business Dedu
147							Revised Net Taxable inc
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate <i>(Must agree with tax return)</i>		35.05%		35.05%		Effective Tax Rates
150	Net Ontario Income Tax Rate <i>(Must agree with tax return)</i>		15.90%		15.90%		
151	Blended Income Tax Rate		50.95%		50.95%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	246,866	0	246,866		
157	Ontario Capital Tax	+	29,046		29,046		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	275,912	0	275,912		
161							

Tax Reserves

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		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		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		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 - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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 - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - EB-2008-0381					
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: Centre Wellington Hydro Ltd				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	+			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	+	3,651		3,651	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		103,200		103,200	
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-Recovery of Reg Assets	+	456,453		456,453	
41	Imputed interest expense on Regulatory Assets	+			0	
42	Change in Settlement Variance	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	563,304	0	563,304	
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	-	103,200		103,200	
58	Income from joint ventures or partnerships	-			0	
59	Taxable dividends deductible under section 112 or 113	-	318		318	
60	Ontario capital tax adjustments to current or prior year	-	29,046		29,046	
61		-			0	
62	Changes in Regulatory Asset balances	-	112,714		112,714	
63	Change in Settlement Variance	-			0	
64	Dividends	-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	245,278	0	245,278	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-0381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd									
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					
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					
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					
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)				35.05%					
51	Ontario				15.90%					
52	Blended rate		0.00%	0.00%	50.95%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,500,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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-2008-0381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Centre Wellington Hydro Ltd														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease										0
5															
6															
7															
8	Year start:		01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006							
9	Year end:		31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006							Total
10															
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
13	PILs proxy from April 1, 2005 - input 9/12 of amount										0				0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
15	True-up Variance Adjustment (3)	+/-		0	0	0	0	0	0	0	0	4,723	4,723	0	4,723
16	Deferral Account Variance Adjustment Q4, 2001 (4)										0				0
17	Deferral Account Variance Adjustment (5)	+/-		0	0	0	0	0	0	0	0	-55,757	-55,757	0	-55,757
18	Adjustments to reported prior years' variances (6)	+/-										0	0	0	0
19	Carrying charges (7)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
20	PILs billed to (collected from) customers (8)	-	0	0	0	0	0	0	0	0	0	0	0	0	0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	-51,034	-51,034	0	-51,034
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		true 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		true 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															

Centre Wellington Hydro Ltd.

Disposition of Account 1562 – Deferred PILs

EB-2012-0052

Response to Board Staff Submission

June 20, 2012

Scenario C

	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: Centre Wellington Hydro Ltd.														
4	Reporting Period: 2001 to Apr 30, 2006				Sign Convention: + for increase; - for decrease										
5															
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		80,347		15,846		-2,511		-43,736		-148,457		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	79,861		269,036		348,897		289,001		67,259		66,549		1,120,604
13	PILs proxy from April 1, 2005 - input 9/12 of amount										149,736				149,736
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			0		0								0
15	True-up Variance Adjustment (3)	+/-			0		0		-14,011		-20,284		6,847		-27,448
16	Deferral Account Variance Adjustment Q4, 2001 (4)				-4,277										-4,277
17	Deferral Account Variance Adjustment (5)	+/-			0		-38,227		-60,290		-62,124		-17,473		-178,114
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-	486		5,461		1,607		-1,736		-7,740		-3,219		-5,141
20	PILs billed to (collected from) customers (8)	-	0		-334,722		-330,634		-254,189		-231,568		-91,015		-1,242,127
21															
22	Ending balance: # 1562		80,347		15,846		-2,511		-43,736		-148,457		-186,767		-186,767
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	true 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	true 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															

Centre Wellington Hydro Ltd.
1562 Deferred PILs Continuity Schedule

Year: Q4 2001

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
October	26,620.33	-		26,620.33	26,620.33	7.25%	-	-
November	26,620.33	-		26,620.33	53,240.67	7.25%	158.63	158.63
December	26,620.33	-		26,620.33	79,861.00	7.25%	327.83	486.46
Total	79,861.00	-	-	79,861.00			486.46	

Year: 2002

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	22,419.67	-		22,419.67	102,280.67	7.25%	491.75	978.21
February	22,419.67	-		22,419.67	124,700.33	7.25%	568.85	1,547.05
March	22,419.67	(33,472.18)		(11,052.51)	113,647.82	7.25%	767.85	2,314.90
April	22,419.67	(33,472.18)		(11,052.51)	102,595.31	7.25%	677.22	2,992.12
May	22,419.67	(33,472.18)		(11,052.51)	91,542.79	7.25%	631.73	3,623.85
June	22,419.67	(33,472.18)	(4,277.00)	(15,329.51)	76,213.28	7.25%	545.49	4,169.35
July	22,419.67	(33,472.18)		(11,052.51)	65,160.77	7.25%	469.29	4,638.63
August	22,419.67	(33,472.18)		(11,052.51)	54,108.25	7.25%	401.23	5,039.86
September	22,419.67	(33,472.18)		(11,052.51)	43,055.74	7.25%	322.43	5,362.29
October	22,419.67	(33,472.18)		(11,052.51)	32,003.23	7.25%	265.12	5,627.41
November	22,419.67	(33,472.18)		(11,052.51)	20,950.71	7.25%	190.70	5,818.11
December	22,419.67	(33,472.20)		(11,052.53)	9,898.18	7.25%	129.00	5,947.11
Total	269,036.00	(334,721.82)	(4,277.00)	(69,962.82)			5,460.65	

Year: 2003

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(4,205.23)		24,869.52	34,767.70	7.25%	60.95	6,008.06
February	29,074.75	(24,887.63)		4,187.12	38,954.82	7.25%	193.37	6,201.43
March	29,074.75	(29,598.86)		(524.11)	38,430.71	7.25%	239.87	6,441.29
April	29,074.75	(22,337.57)		6,737.18	45,167.89	7.25%	229.00	6,670.30
May	29,074.75	(33,730.02)		(4,655.27)	40,512.62	7.25%	278.12	6,948.42
June	29,074.75	(25,326.44)	(38,227.00)	(34,478.69)	6,033.93	7.25%	241.41	7,189.83
July	29,074.75	(30,384.86)		(1,310.11)	4,723.82	7.25%	37.15	7,226.99
August	29,074.75	(25,968.42)		3,106.33	7,830.15	7.25%	29.09	7,256.07
September	29,074.75	(29,372.95)		(298.20)	7,531.95	7.25%	46.66	7,302.73
October	29,074.75	(21,694.87)		7,379.88	14,911.83	7.25%	46.38	7,349.11
November	29,074.75	(25,067.03)		4,007.72	18,919.55	7.25%	88.86	7,437.97
December	29,074.75	(58,059.80)		(28,985.05)	(10,065.50)	7.25%	116.50	7,554.47
Total	348,897.00	(330,633.68)	(38,227.00)	(19,963.68)			1,607.35	

Year: 2004

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	29,074.75	(743.32)		28,331.43	18,265.93	7.25%	(61.81)	7,492.66
February	29,074.75	(31,092.63)		(2,017.88)	16,248.05	7.25%	104.93	7,597.59
March	29,074.75	(33,951.74)		(4,876.99)	11,371.06	7.25%	99.77	7,697.36
April	22,419.67	(25,985.52)		(3,565.85)	7,805.21	7.25%	67.57	7,764.94
May	22,419.67	(16,912.94)		5,506.73	13,311.93	7.25%	47.93	7,812.86
June	22,419.67	(23,397.09)	(74,301.00)	(75,278.42)	(61,966.49)	7.25%	79.11	7,891.97
July	22,419.67	(15,901.36)		6,518.31	(55,448.18)	7.25%	(380.52)	7,511.45
August	22,419.67	(27,400.66)		(4,980.99)	(60,429.18)	7.25%	(340.49)	7,170.96
September	22,419.67	(19,761.08)		2,658.59	(57,770.59)	7.25%	(359.11)	6,811.86
October	22,419.67	(16,480.42)		5,939.25	(51,831.34)	7.25%	(354.75)	6,457.10
November	22,419.67	(24,490.20)		(2,070.53)	(53,901.88)	7.25%	(308.01)	6,149.09
December	22,419.67	(18,072.53)		4,347.14	(49,554.74)	7.25%	(331.00)	5,818.09
Total	289,001.25	(254,189.49)	(74,301.00)	(39,489.24)			(1,736.37)	

Year: 2005

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	22,419.67	(26,344.01)		(3,924.34)	(53,479.08)	7.25%	(305.14)	5,512.96
February	22,419.67	(28,205.55)		(5,785.88)	(59,264.97)	7.25%	(297.43)	5,215.53
March	22,419.67	(27,466.39)		(5,046.72)	(64,311.69)	7.25%	(364.93)	4,850.60
April	16,637.33	(20,539.75)		(3,902.42)	(68,214.11)	7.25%	(383.23)	4,467.37
May	16,637.33	(17,186.01)		(548.68)	(68,762.78)	7.25%	(420.03)	4,047.34
June	16,637.33	(17,406.50)	(82,408.00)	(83,177.17)	(151,939.95)	7.25%	(409.75)	3,637.59
July	16,637.33	(13,123.16)		3,514.17	(148,425.78)	7.25%	(935.58)	2,702.02
August	16,637.33	(23,394.86)		(6,757.53)	(155,183.30)	7.25%	(913.94)	1,788.08
September	16,637.33	(15,339.38)		1,297.95	(153,885.35)	7.25%	(924.72)	863.36
October	16,637.33	(14,413.33)		2,224.00	(151,661.35)	7.25%	(947.55)	(84.20)
November	16,637.33	(16,722.62)		(85.29)	(151,746.63)	7.25%	(903.74)	(987.93)
December	16,637.33	(11,426.00)		5,211.33	(146,535.30)	7.25%	(934.39)	(1,922.32)
Total	216,995.00	(231,567.56)	(82,408.00)	(96,980.56)			(7,740.41)	

Year: 2006

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	16,637.33	(19,496.33)		(2,859.00)	(149,394.30)	7.25%	(902.30)	(2,824.61)
February	16,637.33	(21,625.37)		(4,988.04)	(154,382.33)	7.25%	(830.88)	(3,655.49)
March	16,637.33	(19,568.37)		(2,931.04)	(157,313.37)	7.25%	(950.61)	(4,606.11)
April	16,637.33	(30,324.76)		(13,687.43)	(171,000.80)	4.14%	(535.30)	(5,141.40)
May	-	-		-	(171,000.80)	4.14%	(601.27)	(5,742.67)
June	-	-	(10,626.00)	(10,626.00)	(181,626.80)	4.14%	(581.87)	(6,324.54)
July	-	-		-	(181,626.80)	4.59%	(708.05)	(7,032.59)
August	-	-		-	(181,626.80)	4.59%	(708.05)	(7,740.63)
September	-	-		-	(181,626.80)	4.59%	(685.21)	(8,425.84)
October	-	-		-	(181,626.80)	4.59%	(708.05)	(9,133.88)
November	-	-		-	(181,626.80)	4.59%	(685.21)	(9,819.09)
December	-	-		-	(181,626.80)	4.59%	(708.05)	(10,527.14)
Total	66,549.33	(91,014.83)	(10,626.00)	(35,091.50)			(8,604.82)	

Year: 2007

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-		-	(181,626.80)	4.59%	(708.05)	(11,235.18)
February	-	-		-	(181,626.80)	4.59%	(639.53)	(11,874.71)
March	-	-		-	(181,626.80)	4.59%	(708.05)	(12,582.75)
April	-	-		-	(181,626.80)	4.59%	(685.21)	(13,267.96)
May	-	-		-	(181,626.80)	4.59%	(708.05)	(13,976.01)
June	-	-		-	(181,626.80)	4.59%	(685.21)	(14,661.21)
July	-	-		-	(181,626.80)	4.59%	(708.05)	(15,369.26)
August	-	-		-	(181,626.80)	4.59%	(708.05)	(16,077.30)
September	-	-		-	(181,626.80)	4.59%	(685.21)	(16,762.51)
October	-	-		-	(181,626.80)	5.14%	(792.89)	(17,555.40)
November	-	-		-	(181,626.80)	5.14%	(767.31)	(18,322.71)
December	-	-		-	(181,626.80)	5.14%	(792.89)	(19,115.60)
Total	-	-	-	-			(8,588.46)	

Year: 2008

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)		Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative
January	-	-		-	(181,626.80)	5.14%	(790.72)	(19,906.32)
February	-	-		-	(181,626.80)	5.14%	(739.71)	(20,646.02)
March	-	-		-	(181,626.80)	5.14%	(790.72)	(21,436.75)
April	-	-		-	(181,626.80)	4.08%	(607.41)	(22,044.15)
May	-	-		-	(181,626.80)	4.08%	(627.65)	(22,671.81)
June	-	-		-	(181,626.80)	4.08%	(607.41)	(23,279.22)
July	-	-		-	(181,626.80)	3.35%	(515.35)	(23,794.57)
August	-	-		-	(181,626.80)	3.35%	(515.35)	(24,309.92)
September	-	-		-	(181,626.80)	3.35%	(498.73)	(24,808.65)
October	-	-		-	(181,626.80)	3.35%	(515.35)	(25,324.01)
November	-	-		-	(181,626.80)	3.35%	(498.73)	(25,822.74)
December	-	-		-	(181,626.80)	3.35%	(515.35)	(26,338.09)
Total	-	-	-	-			(7,222.49)	

Year: 2009

			SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)		Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(181,626.80)	2.45%	(377.93)	(26,716.02)	(208,342.82)
February	-	-		-	(181,626.80)	2.45%	(341.36)	(27,057.38)	(208,684.18)
March	-	-		-	(181,626.80)	2.45%	(377.93)	(27,435.31)	(209,062.11)
April	-	-		-	(181,626.80)	1.00%	(149.28)	(27,584.60)	(209,211.39)
May	-	-		-	(181,626.80)	1.00%	(154.26)	(27,738.86)	(209,365.65)
June	-	-		-	(181,626.80)	1.00%	(149.28)	(27,888.14)	(209,514.93)
July	-	-		-	(181,626.80)	0.55%	(84.84)	(27,972.98)	(209,599.78)
August	-	-		-	(181,626.80)	0.55%	(84.84)	(28,057.82)	(209,684.62)
September	-	-		-	(181,626.80)	0.55%	(82.11)	(28,139.93)	(209,766.72)
October	-	-		-	(181,626.80)	0.55%	(84.84)	(28,224.77)	(209,851.57)
November	-	-		-	(181,626.80)	0.55%	(82.11)	(28,306.87)	(209,933.67)
December	-	-		-	(181,626.80)	0.55%	(84.84)	(28,391.72)	(210,018.51)
Total	-	-	-	-			(2,053.63)		

Year: 2010

			SIMPILS True						
	Approved PILs	PILs Revenue	Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Entitlement	(neg = CR)	Adjustments	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-	-	-	(181,626.80)	0.55%	(84.84)	(28,476.56)	(210,103.36)
February	-	-	-	-	(181,626.80)	0.55%	(76.63)	(28,553.19)	(210,179.99)
March	-	-	-	-	(181,626.80)	0.55%	(84.84)	(28,638.03)	(210,264.83)
April	-	-	-	-	(181,626.80)	0.55%	(82.11)	(28,720.14)	(210,346.93)
May	-	-	-	-	(181,626.80)	0.55%	(84.84)	(28,804.98)	(210,431.78)
June	-	-	-	-	(181,626.80)	0.55%	(82.11)	(28,887.08)	(210,513.88)
July	-	-	-	-	(181,626.80)	0.89%	(137.29)	(29,024.37)	(210,651.17)
August	-	-	-	-	(181,626.80)	0.89%	(137.29)	(29,161.66)	(210,788.46)
September	-	-	-	-	(181,626.80)	0.89%	(132.86)	(29,294.53)	(210,921.32)
October	-	-	-	-	(181,626.80)	1.20%	(185.11)	(29,479.64)	(211,106.43)
November	-	-	-	-	(181,626.80)	1.20%	(179.14)	(29,658.77)	(211,285.57)
December	-	-	-	-	(181,626.80)	1.20%	(185.11)	(29,843.88)	(211,470.68)
Total	-	-	-	-	-	-	(1,452.17)	-	-

Year: 2011

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(181,626.80)	1.47%	(226.76)	(30,070.64)	(211,697.44)
February	-	-		-	(181,626.80)	1.47%	(204.82)	(30,275.46)	(211,902.26)
March	-	-		-	(181,626.80)	1.47%	(226.76)	(30,502.22)	(212,129.02)
April	-	-		-	(181,626.80)	1.47%	(219.44)	(30,721.66)	(212,348.46)
May	-	-		-	(181,626.80)	1.47%	(226.76)	(30,948.42)	(212,575.22)
June	-	-		-	(181,626.80)	1.47%	(219.44)	(31,167.87)	(212,794.67)
July	-	-		-	(181,626.80)	1.47%	(226.76)	(31,394.63)	(213,021.43)
August	-	-		-	(181,626.80)	1.47%	(226.76)	(31,621.39)	(213,248.19)
September	-	-		-	(181,626.80)	1.47%	(219.44)	(31,840.83)	(213,467.63)
October	-	-		-	(181,626.80)	1.47%	(226.76)	(32,067.59)	(213,694.39)
November	-	-		-	(181,626.80)	1.47%	(219.44)	(32,287.04)	(213,913.84)
December	-	-		-	(181,626.80)	1.47%	(226.76)	(32,513.80)	(214,140.60)
Total	-	-	-	-			(2,669.91)		

Year: 2012

	Approved PILs Entitlement	PILs Revenue (neg = CR)	SIMPILS True Up Adjustments (neg=CR)	Variance (neg = payable)		Interest Improvement (neg = payable)			Total Variance
				Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	
January	-	-		-	(181,626.80)	1.47%	(226.14)	(32,739.94)	(214,366.74)
February	-	-		-	(181,626.80)	1.47%	(211.55)	(32,951.49)	(214,578.29)
March	-	-		-	(181,626.80)	1.47%	(226.14)	(33,177.63)	(214,804.43)
April	-	-		-	(181,626.80)	1.47%	(218.85)	(33,396.48)	(215,023.27)
May									
June									
July									
August									
September									
October									
November									
December									
Total	-	-	-	-			(882.68)		
Grand totals	1,270,339.58	(1,242,127.38)	(209,839.00)	(181,626.80)			(33,396.48)		(215,023.27)

Centre-Wellington Hydro Ltd.

Tax rate calculation

Scenario C

	2001	2002	2003	2004	2005
Calculation of federal small business deduction impact					
Regulatory taxable income	149,052	498,878	498,878	498,879	518,012
Business limit	50,411	200,000	225,000	250,000	300,000
Gross LCT	-	-	-	4,640	5,631
	11,250	11,250	11,250	11,250	11,250
Business limit reduction	-	-	-	103,111	150,150
Reduced business limit	50,411	200,000	225,000	146,889	149,850
Small business deduction @ 16% of least of regulatory taxable income and reduced business limit	8,066	32,000	36,000	23,502	23,976
	(5.41%)	(6.41%)	(7.22%)	(4.71%)	(4.63%)
Federal small business deduction as percent of regulatory taxable income					
Calculation of Ontario small business deduction impact					
Ontario business limit	70,575	280,000	320,000	400,000	400,000
Small business deduction rate	6.50%	6.50%	7.00%	8.50%	8.50%
Small business deduction	4,587	18,200	22,400	34,000	34,000
	3.08%	3.65%	4.49%	6.82%	6.56%
Ontario small business deduction as percent of regulatory taxable income					
Tax rates					
Regular federal tax rate	28.12%	26.12%	24.12%	22.12%	22.12%
Regular provincial tax rate	12.50%	12.50%	12.50%	14.00%	14.00%
Federal small business deduction	(5.41%)	(6.41%)	(7.22%)	(4.71%)	(4.63%)
Ontario small business deduction	(3.08%)	(3.65%)	(4.49%)	(6.82%)	(6.56%)
Total tax rate net of SBD	32.13%	28.56%	24.91%	24.59%	24.93%
Federal surtax	1.12%	1.12%	1.12%	1.12%	1.12%
Gross up rate	31.01%	27.44%	23.79%	23.47%	23.81%
	0.225%	0.225%	0.225%	0.225%	
Rate base as proxy for taxable capital					
2001 - 2003, Actual taxable capital					
2004, 2005	8,553,726	8,553,726	8,553,726	12,502,508	12,923,063
		10,000,000	10,000,000	10,000,000	50,000,000
		(1,446,274)	(1,446,274)	2,502,508	
		(3,254)	(3,254)	5,631	

	A	B	C	D	E
1	PILs TAXES - ED-2002-0511				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Centre Wellington Hydro Ltd.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2001	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
31	Rate Base (wires-only)			8,553,726	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			732,627	
43	1999 return from RUD Sheet #7			555,088	555,088
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			4,932	4,932
48	Amount allowed in 2002			113,427	0
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	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				560,020
56	Equity			4,276,863	
58	Return at target ROE			422,554	
60	Debt			4,276,863	
62	Deemed interest amount in 100% of MARR			310,073	
64	Phase-in of interest - Year 1 (2001)			237,020	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS Scenario C		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	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	140,005		-276,892		-136,887	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	110,693		-3,814		106,879	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		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"				4,350		4,350	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	42,391		103,146		145,537	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	59,255		-59,255		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		149,052		-320,247		-171,195	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-1.9900%		32.13%	
54								
55	REGULATORY INCOME TAX		50,857		-50,857	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		50,857		-50,857	Actual	0	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,738,802		12,292,528	
67	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,738,802		7,292,528	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		2,665		9,012		11,677	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,738,801		12,292,527	
76	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,738,801		2,292,527	
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)		0		2,162		2,162	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		2,162		2,162	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude-surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	77,196			Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	2,665			Actual 2001	5,514	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001 RAM DECISION	25	79,861			Actual 2001	5,514	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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 E206)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			

	A	B	C	D	E	F	G	H
1	PILs TAXES - ED-2002-0511	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS Scenario C		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Centre Wellington Hydro Ltd.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
121								
122	Income Tax Rate from 2001 Utility's tax return			x	32.13%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				31.010%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	149,052			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	32.13%			
139								
140	REVISED REGULATORY INCOME TAX			=	47,890			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	47,890			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	50,857			
147								
148	Regulatory Income Tax Variance			=	-2,966			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	2,687			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	2,665			
159	Regulatory Ontario Capital Tax Variance			=	22			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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 C84)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				31.01%			
176								
177	Income Tax (grossed-up)			+	-4,299			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	22			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-4,277			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-4,277			
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)				310,073			
194	Interest phased-in (Cell C37)				59,255			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				250,818			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell G37+G42)				0			
202	Deemed Interest				77,518			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell E112)				0			
207								
208	Total Interest Variance				250,818			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC) Scenario C		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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 :		10,692	< - 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	+	3,542,053		3,542,053	
32	Distribution Revenue	+	59,411		59,411	
33	Other Income	+	60,259		60,259	
34	Miscellaneous income	+	21,749		21,749	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	3,241,511		3,241,511	
40	Administration	-	350,105		350,105	
41	Customer billing and collecting	-	98,380		98,380	
42	Operations and maintenance	-	130,362		130,362	
43	Amortization	-			0	
44	Ontario Capital Tax	-			0	
45		-			0	
46	Distribution	-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-136,887	0	-136,887	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-136,887	0	-136,887	
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	+		0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	106,879	0	106,879	
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"		4,350	0	4,350	
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		111,229	0	111,229	
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 - Software expensed per F/S	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	111,229	0	111,229	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC) Scenario C		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	145,537		145,537	
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	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	145,537	0	145,537	
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	=	145,537	0	145,537	
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	=	-171,195	0	-171,195	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-171,195	0	-171,195	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	0	0	0	
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 FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	5,514		5,514	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	5,514	0	5,514	
161						

	A	B	C	D	E	F
1	PILs TAXES - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
8	Reporting period: 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 - 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				0	
48	Other - Please describe				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 - 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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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		+			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 - ED-2002-0511	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	Centre Wellington Hydro Ltd.					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		10,692			
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	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			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 - ED-2002-0511					
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	Centre Wellington Hydro Ltd.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
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	+	3,002		3,002	
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	+	1,348		1,348	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	Ontario Capital Tax per books	+				
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	4,350	0	4,350	
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 per tax return	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63	Unrealized Revenue	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	Prospectus & underwriting fees	-			0	
71	Income not earned on movement of Regulatory A/Cs	-			0	
72	Deferred cost deductible (market ready)	-			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 - ED-2002-0511									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Centre Wellington Hydro Ltd.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to			>175,000		
11		Year	50,000		175,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%			28.12%		
15	and Ontario blended		6.00%		6.00%			12.50%		
16	Blended rate		19.12%		34.12%			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	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to			>175,000		
29		Year	50,000		175,000					
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		13.12%			13.12%		
33	Ontario	2001	6.00%		6.00%			6.00%		
34	Blended rate	2001	19.12%		19.12%			19.12%		
35										
36	Capital Tax Rate	2001	0.300%							
37	LCT rate	2001	0.225%							
38	Surtax	2001	1.12%							
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2001	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 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to			>175,000		
47		Year	50,000		175,000					
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		0.00%							
51	Ontario		0.00%							
52	Blended rate		0.00%		0.00%			0.00%		
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 \$10MM	10,000,000							
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 - ED-2002-0511														
2	Analysis of PILs Tax Account 1562:														
3	Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2001														0
5															
6															
7															
8	Year start:		01/08/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-											-4,277		-4,277
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-4,277		-4,277
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,447		208,974		882,421	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		66,007		508,778	
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"				6,736		6,736	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		292,247		624,561	
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	285,026		-61,427		223,599	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				605,923		605,923	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-555,026		-56,148	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-5.5600%		28.56%	
54								
55	REGULATORY INCOME TAX		170,217		-149,340		20,877	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-149,340		20,877	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,298,866		12,852,592	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,298,866		7,852,592	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		12,897		23,558	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,014,106		11,567,832	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,014,106		1,567,832	
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)		0		3,528		3,528	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		3,528		3,528	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2002	20,877	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2002	3,528	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2002	24,390	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	269,036			Actual 2002	48,795	
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 I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	28.56%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				27.44%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	498,878			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	28.56%			
139								
140	REVISED REGULATORY INCOME TAX			=	142,480			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	142,480			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-27,738			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				27.44%			
176								
177	Income Tax (grossed-up)			+	-38,227			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-38,227			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-38,227			
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)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200	Interest deducted on MoF filing (Cell K36+K41)				223,599			
201	Total deemed interest (REGINFO CELL D61)				310,073			
202								
203	Variance caused by excess debt				0			
204								
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				25,047			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	11,328,222		11,328,222	
32	Distribution Revenue	+	2,328,748		2,328,748	
33	Other Income	+	336,754		336,754	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,096,506		11,096,506	
40	Administration	-	534,239		534,239	
41	Customer billing and collecting	-	425,864		425,864	
42	Operations and maintenance	-	545,355		545,355	
43	Amortization	-	508,778		508,778	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-	0		0	
46	Interest on customer deposits	-	561		561	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	882,421	0	882,421	
51	Less: Interest expense for accounting purposes	-	223,599		223,599	
52	Provision for payments in lieu of income taxes	-	47,514		47,514	
53	Net Income (loss)	=	611,308	0	611,308	
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/Less Capital Tax included in Tax Provision	+	47,514	0	47,514	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,778	0	508,778	
62	Employee benefit plans-accrued, not paid	+	0	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"		6,736	0	6,736	
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		563,028	0	563,028	
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	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	563,028	0	563,028	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	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	

	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	
95						

	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	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	624,561		624,561	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		605,923	0	605,923	
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	=	1,230,484	0	1,230,484	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,230,484	0	1,230,484	
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	=	-56,148	0	-56,148	dd back
135	DEDUCT:					T
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-56,148	0	-56,148	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	20,877		20,877	
144	Subtotal	=	20,877	0	20,877	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	20,877	0	20,877	
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)		5.33%		5.33%	
151	Blended Income Tax Rate		5.33%	*****	5.33%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	20,877	0	20,877	
157	Ontario Capital Tax	+	24,390		24,390	
158	Federal Large Corporations Tax	+	3,528		3,528	
159						
160	Total income and capital taxes	=	48,795	0	48,795	
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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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		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 - 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: Centre Wellington Hydro Ltd.				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	+	4,218		4,218	
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	+	2,518		2,518	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	6,736	0	6,736	
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	Unrealized income-Loss carried forward	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-	29,904		29,904	
65		-			0	
66	Changes in Regulatory Asset balances	-	576,019		576,019	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		+			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	605,923	0	605,923	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
5	Reporting period: 2002									
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					
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%		8.00%		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 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0		200,001					
28	Expected Rates		to		to					
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		26.12%		26.12%			
33	Ontario	2002	6.00%		8.00%		12.50%			
34	Blended rate	2002	19.12%		34.12%		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	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2002	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 2002 Tax Returns									
45	Income Range		0		200,001					
46			to		to					
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)				26.12%					
51	Ontario				5.33%					
52	Blended rate		0.00%		31.45%		0.00%			
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 \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

26.12%
5.33%
31.45%

	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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2002														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:												True up for		
9	Year end:												01/01/2002		
10													31/12/2002	Total	
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-38,227		-38,227
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	0	-38,227	-38,227	
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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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)			8,553,726	Rate Base-Estimate
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,447
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	673,447		59,705		733,152	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		70,404		513,175	
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		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"				212,812		212,812	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		252,970		585,284	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		67,913		352,939	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				130,179		130,179	
49								
50	TAXABLE INCOME/ (LOSS)		498,878		-108,141		390,737	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-9.2100%		24.91%	
54								
55	REGULATORY INCOME TAX		170,217		-132,778	Actual	37,439	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		170,217		-132,778	Actual	37,439	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		4,795,039		13,348,765	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		4,795,039		8,348,765	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		14,385		25,046	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,508,490		12,062,216	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		3,508,490		2,062,216	
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)		0		4,640		4,640	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		4,640		4,640	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2003	37,439	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	2,810	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2003	25,306	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2003	65,555	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			42,866			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26			-42,866			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	24.91%			

	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) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
7	Reporting period: 2003							
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			=	-10,678			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-10,678			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				23.79%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-14,011			
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)			=	498,878			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	24.91%			
139								
140	REVISED REGULATORY INCOME TAX			=	124,271			
141								
142	Less: Revised Miscellaneous Tax Credits		-		0			
143								
144	Total Revised Regulatory Income Tax			=	124,271			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)		-		170,217			
147								
148	Regulatory Income Tax Variance			=	-45,947			
149								
150	Ontario Capital Tax			=				
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39		-		5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)		-		10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40		-		10,000,000			
164	Revised Federal LCT			=	-1,446,274			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				23.79%			
176								
177	Income Tax (grossed-up)		+		-60,290			
178	LCT (grossed-up)		+		0			
179	Ontario Capital Tax		+		0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-60,290			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	-14,011			
184								
185	Total Deferral Account Entrv (Positive Entrv = Debit)			=	-74,301			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
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)				352,939			
202	Deemed Interest				310,073			
203								
204	Variance caused by excess debt				42,866			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				42,866			
207								
208	Total Interest Variance				-17,820			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,104,397		8,104,397	
32	Distribution Revenue	+	2,426,695		2,426,695	
33	Other Income	+	364,946		364,946	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,104,397		8,104,397	
40	Administration	-	667,175		667,175	
41	Customer billing and collecting	-	398,182		398,182	
42	Operations and maintenance	-	479,396		479,396	
43	Amortization	-	513,175		513,175	
44	Ontario Capital Tax	-	0		0	
45	Interest on customer deposits	-	561		561	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	733,152	0	733,152	
51	Less: Interest expense for accounting purposes	-	352,939		352,939	
52	Provision for payments in lieu of income taxes	-	49,795		49,795	
53	Net Income (loss)	=	330,418	0	330,418	
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	+	49,795	0	49,795	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	513,175	0	513,175	
62	Employee benefit plans-accrued, not paid	+	0	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"		212,812	0	212,812	
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		775,782	0	775,782	
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	Income for tax purposes not recorded for book purposes	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	775,782	0	775,782	
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	-	585,284		585,284	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		130,179	0	130,179	
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	=	715,463	0	715,463	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117	Deferred and Prepaid Expenses	-			0	
118			0		0	
119	Capital taxes included in tax provision:Deducted from Tax Provision (Line 101)	-	0		0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	715,463	0	715,463	
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	=	390,737	0	390,737	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	227,343		227,343	Add
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	163,394	0	163,394	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	22,244		22,244	
143	Net Ontario Income Tax (Must agree with tax return)	+	15,195		15,195	
144	Subtotal	=	37,439	0	37,439	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	37,439	0	37,439	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		4.53%		4.53%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		3.09%		3.09%	
151	Blended Income Tax Rate		7.62%		7.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	37,439	0	37,439	
157	Ontario Capital Tax	+	25,306		25,306	
158	Federal Large Corporations Tax	+	2,810		2,810	
159						
160	Total income and capital taxes	=	65,555	0	65,555	
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: Centre Wellington Hydro Ltd.					
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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	+	2,062		2,062	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		100,000		100,000	
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	+	110,750		110,750	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+	0		0	
45	<i>Change in Settlement Variance</i>	+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	212,812	0	212,812	
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	-	4,545		4,545	
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	-	100,000		100,000	
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	-	25,306		25,306	
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	<i>Unrealized revenue - Non capital loss (Sch 4 tax return)</i>	-			0	
70	<i>Taxable dividends deductible under section 112 or 113</i>	-	328		328	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	130,179	0	130,179	
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: Centre Wellington Hydro Ltd.									
5	Reporting period: 2003									
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				>700000	
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%				24.12%	
15	and Ontario blended		5.50%		8.00%				12.50%	
16	Blended rate		18.62%		34.12%				36.62%	
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										
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001					
28	Expected Rates		to		to					
29		Year	200,000		700,000				>700000	
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%						26.12%	
33	Ontario	2003	6.00%						12.50%	
34	Blended rate	2003	19.12%		34.12%				38.62%	
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										
44	Input Information from Utility's Actual 2003 Tax Returns									
45	Income Range		0		200,001					
46			to		to					
47		Year	200,000		700,000				>700,000	
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		4.53%		4.53%				24.12%	0.00%
51	Ontario		3.09%		3.09%				12.50%	0.00%
52	Blended rate		7.62%		7.62%				36.62%	0.00%
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 \$10MM	10,000,000							
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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2003														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)												-14,011		-14,011
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustment to reported prior years' variances (6)	+/-											-60,290		-60,290
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-74,301		-74,301
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd.			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	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				673,448
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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	673,448		144,630		818,078	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		65,553		508,324	
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		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"				193,027		193,027	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		279,534		611,848	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	285,026		88,176		373,202	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				171,860		171,860	
49								
50	TAXABLE INCOME/ (LOSS)		498,879		-136,360		362,519	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-9.5300%		24.59%	
54								
55	REGULATORY INCOME TAX		170,217		-85,160		85,057	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	Total Regulatory Income Tax		170,217		-85,160		85,057	
61								
62								
63	III. CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		3,948,782		12,502,508	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		3,553,726		3,948,782		7,502,508	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,661		11,846		22,508	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		3,948,811		12,502,537	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		0		43,948,811		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	258,375			Actual 2004	85,057	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,661			Actual 2004	22,508	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	269,036			Actual 2004	107,565	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	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			63,129			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-63,129			

	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) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd.							
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							\$	
121								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	24.59%			
123								
124	Income Tax Effect on True-up adjustments			=	-15,524			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-15,524			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				23.47%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-20,284			
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)			=	498,879			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	24.59%			
139								
140	REVISED REGULATORY INCOME TAX			=	122,674			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	122,674			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	170,217			
147								
148	Regulatory Income Tax Variance			=	-47,543			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	3,553,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,661			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,661			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				8,553,726			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-41,446,274			
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)				23.47%			
176								
177	Income Tax (grossed-up)			+	-62,124			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-62,124			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	-20,284			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-82,408			
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)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				25,047			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200	Interest deducted on MoF filing (Cell K36+K41)				373,202			
201	Deemed Interest				310,073			
202								
203								
204	Variance caused by excess debt				63,129			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,129			
207								
208	Total Interest Variance				-38,083			
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: Centre Wellington Hydro Ltd.					
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 :		10,692	< - 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	+	8,887,465		8,887,465	
32	Distribution Revenue	+	2,424,493		2,424,493	
33	Other Income	+	255,755	0	255,755	
34	Miscellaneous income	+	102,054		102,054	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,887,465		8,887,465	
40	Administration	-	596,510	0	596,510	
41	Customer billing and collecting	-	402,211		402,211	
42	Operations and maintenance	-	455,973		455,973	
43	Amortization	-	508,324	0	508,324	
44	Ontario Capital Tax	-	0		0	
45	Recovery of regulatory assets - expense	-	0		0	
46	Interest on customer deposits	-	1,206		1,206	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	818,078	0	818,078	
51	Less: Interest expense for accounting purposes	-	373,202		373,202	
52	Provision for payments in lieu of income taxes	-	115,550		115,550	
53	Net Income (loss)	=	329,326	0	329,326	
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	+	115,550	0	115,550	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	508,324	0	508,324	
62	Employee benefit plans-accrued, not paid	+	0	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"		193,027	0	193,027	
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		816,901	0	816,901	
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	Ontario capital Tax per financial statements	+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	816,901	0	816,901	
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	-	611,848		611,848	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-	0		0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions- <i>Settlement Variance</i>	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		171,860	0	171,860	
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	=	783,708	0	783,708	
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	Capital taxes included in tax provision, deducted from tax provision, Line 59	-	0		0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	783,708	0	783,708	
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	=	362,519	0	362,519	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	362,519	0	362,519	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	67,302	0	67,302	
143	Net Ontario Income Tax (Must agree with tax return)	+	17,755	0	17,755	
144	Subtotal	=	85,057	0	85,057	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	85,057	0	85,057	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		18.89%		18.89%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		4.98%		4.98%	
151	Blended Income Tax Rate		23.88%		23.88%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	85,057	0	85,057	
157	Ontario Capital Tax	+	22,508		22,508	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	107,565	0	107,565	
161						

Tax Reserves

	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: Centre Wellington Hydro Ltd.					
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)				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				0	
48	Other - Please describe				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 - 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 - 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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
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		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	

	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: Centre Wellington Hydro Ltd.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		10,692			
12						
13						
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	
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		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	Non-taxable load transfers	-	0		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 - 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: Centre Wellington Hydro Ltd.				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	0	0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+	70,177		70,177	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	3,357		3,357	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		0		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	+	96,659		96,659	
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	<u>Ontario capital Tax per financial statements</u>	+	22,834		22,834	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	193,027	0	193,027	
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	-	34,216		34,216	
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		0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	22,508		22,508	
61		-			0	
62	Changes in Regulatory Asset balances	-	114,137		114,137	
63		-			0	
64	Assessment Notice	-	0		0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	<u>Settlement Variance</u>	-			0	
70	<u>Taxable dividends deductible under 112 or 113</u>	-	999		999	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	171,860	0	171,860	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd.									
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					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		5.50%		6.00%		12.50%			
16	Blended rate		18.62%		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					
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					
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)			18.89%						
51	Ontario			4.98%						
52	Blended rate		0.00%	23.88%	0.00%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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: Centre Wellington Hydro Ltd.														Version 2009.1
4	Reporting period: 2004														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											-20,284		-20,284
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-62,124		-62,124
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-82,408		-82,408
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	true 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	true 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															

	A	B	C	D	E
1	PILs TAXES - EB-2008-0381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Centre Wellington Hydro Ltd			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
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	12-31-2005	
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)			8,553,726	
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			732,627	
42					
43	1999 return from RUD Sheet #7			555,088	555,088
44					
45	Total Incremental revenue			177,539	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			59,180	59,180
48	Amount allowed in 2002			59,180	59,180
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	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM		100.00%	59,180	59,180
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				732,628
55					
56	Equity			4,276,863	
57					
58	Return at target ROE			422,554	
59					
60	Debt			4,276,863	
61					
62	Deemed interest amount in 100% of MARR			310,073	
63					
64	Phase-in of interest - Year 1 (2001)			259,979	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			285,026	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			285,026	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			310,073	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd							
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	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	732,628		230,279		962,907	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	442,771		52,576		495,347	
21	Employee Benefit Plans - Accrued, Not Paid	3			84,773		84,773	
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"				563,304		563,304	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	332,314		326,575		658,889	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	310,073		63,846		373,919	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")		15,000					
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	C&DM 2005 Incremental OMA expenses per CDM Plan	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"				245,278		245,278	
49								
50	TAXABLE INCOME/ (LOSS)		518,012		295,233	Before loss C/F	828,245	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		-2.5700%		24.93%	
54								
55	REGULATORY INCOME TAX		142,453		104,413	Actual	246,866	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		142,453		104,413	Actual	246,866	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	8,553,726		8,628,147		17,181,873	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		0		7,500,000	
68	Taxable Capital		1,053,726		8,628,147		9,681,873	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		3,161		25,884		29,046	
73								
74	Federal Large Corporations Tax							
75	Base	18	8,553,726		4,369,337		12,923,063	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-40,000,000		10,000,000	
77	Taxable Capital		0		-35,630,663		2,923,063	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0500%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		6,577		6,577	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		6,577		6,577	
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	196,487			Actual 2005	246,866	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	3,161			Actual 2005	29,046	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	199,649			Actual 2005	275,912	
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			84,773			
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			63,846			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26			20,927			
121								
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	24.93%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) Scenario C				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Centre Wellington Hydro Ltd							
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			=	5,217			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				5,217			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				23.81%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				6,847			
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							
137	estimate column)			=	518,012			
138	REVISED CORPORATE INCOME TAX RATE			x	24.93%			
139								
140	REVISED REGULATORY INCOME TAX			=	129,141			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	129,141			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column			-	142,453			
147	(Cell C58)							
148	Regulatory Income Tax Variance			=	-13,313			
149								
150	Ontario Capital Tax							
151	Base			=	8,553,726			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	1,053,726			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	3,161			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	3,161			
159	C70)							
160	Regulatory Ontario Capital Tax Variance			=	0			
161								
162	Federal LCT							
163	Base			=	8,553,726			
164	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
165	Revised Federal LCT			=	-41,446,274			
166								
167	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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)				23.81%			
176								
177	Income Tax (grossed-up)			+	-17,473			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-17,473			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	6,847			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-10,626			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				310,073			
194	Interest phased-in (Cell C36)				285,026			
195								
196	Variance due to phase-in of debt component of MARR in rates				25,046			
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)				373,919			
202	Maximum deemed interest REGINFO D70				310,073			
203								
204	Variance caused by excess debt				63,846			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				63,846			
207								
208	Total Interest Variance				-38,800			
209								
210								
211								

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd						
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 :		10,692	< - 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	+	11,122,082		11,122,082		
32	Distribution Revenue	+	2,453,777		2,453,777		
33	Other Income	+	160,100		160,100		
34	Miscellaneous income	+	367,250		367,250		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	11,122,082		11,122,082		
40	Administration	-	780,718		780,718		
41	Customer billing and collecting	-	261,470		261,470		
42	Operations and maintenance	-	524,826		524,826		
43	Amortization	-	447,230		447,230		
44	Interest on customer deposits	-	3,976		3,976		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	962,907	0	962,907		
51	Less: Interest expense for accounting purposes	-	373,919		373,919		
52	Provision for payments in lieu of income taxes	-	175,000		175,000		
53	Net Income (loss)	=	413,988	0	413,988		
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	+	175,000	0	175,000		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	495,347	0	495,347		
62	Employee benefit plans-accrued, not paid	+	84,773	0	84,773		
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"		563,304	0	563,304		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		1,318,424	0	1,318,424		
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	Change in Settlement Variance	+			0		
77	Depreciation Difference between Income statement & Schedule 1	+	0		0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	1,318,424	0	1,318,424		0
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
87			0	0	0		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	658,889		658,889		
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- <i>Change in settlement variance</i>	-			0		
104	Tax reserves - end of year	-	0	0	0		
105	Reserves from financial statements- beginning of year	-	0	0	0		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		245,278	0	245,278		
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	=	904,167	0	904,167		
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	Ontario Capital taxes per tax return	-			0		
120	Total Other Deductions	=	0	0	0		
121							
122	Total Deductions	=	904,167	0	904,167		
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	=	828,245	0	828,245		
135	DEDUCT:						
136	Non-capital loss applied <i>positive number</i>	-	0		0		
137	Net capital loss applied <i>positive number</i>	-			0		
138					0		
139	NET TAXABLE INCOME	=	828,245	0	828,245		
140							Net Taxable income per s
141	FROM ACTUAL TAX RETURNS						Less Recovery of regulatory a
142	Net Federal Income Tax <i>(Must agree with tax return)</i>	+	169,828	0	169,828		Less Change in Settlement Var
143	Net Ontario Income Tax <i>(Must agree with tax return)</i>	+	77,038	0	77,038		Add back Settlement Var
144	Subtotal	=	246,866	0	246,866		Add back Regulatory Assets recov
145	Less: Miscellaneous tax credits <i>(Must agree with tax returns)</i>	-	0		0		Taxable income before Unrealized Inc
146	Total Income Tax	=	246,866	0	246,866		Less:Small Business Dedu
147							Revised Net Taxable inc
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate <i>(Must agree with tax return)</i>		35.05%		35.05%		Effective Tax Rates
150	Net Ontario Income Tax Rate <i>(Must agree with tax return)</i>		15.90%		15.90%		
151	Blended Income Tax Rate		50.95%		50.95%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	246,866	0	246,866		
157	Ontario Capital Tax	+	29,046		29,046		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	275,912	0	275,912		
161							

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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 - EB-2008-0381	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: Centre Wellington Hydro Ltd					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		10,692			
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		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						

Tax Reserves

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-0381	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: Centre Wellington Hydro Ltd					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		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		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		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 - EB-2008-0381					
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: Centre Wellington Hydro Ltd				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	+			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	+	3,651		3,651	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		103,200		103,200	
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-Recovery of Reg Assets	+	456,453		456,453	
41	Imputed interest expense on Regulatory Assets	+			0	
42	<i>Change in Settlement Variance</i>	+			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	=	563,304	0	563,304	
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	-	103,200		103,200	
58	Income from joint ventures or partnerships	-			0	
59	Taxable dividends deductible under section 112 or 113	-	318		318	
60	Ontario capital tax adjustments to current or prior year	-	29,046		29,046	
61		-			0	
62	Changes in Regulatory Asset balances	-	112,714		112,714	
63	<i>Change in Settlement Variance</i>	-			0	
64	Dividends	-			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	=	245,278	0	245,278	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-0381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Centre Wellington Hydro Ltd									
5	Reporting period: 2005									
6										
7	Table 1									
8	Rates Used in 2005 RAM PILs Applications for 2005									
9	Income Range		0 to 400,000		400,001 to 1,128,000		>1,128,000			
10	RAM 2005									
11		Year								
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 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
28	Expected Rates									
29		Year								
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 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
46										
47		Year								
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)				35.05%					
51	Ontario				15.90%					
52	Blended rate		0.00%	0.00%	50.95%		0.00%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,500,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
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-2008-0381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Centre Wellington Hydro Ltd														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease										0
5															
6															
7															
8	Year start:		01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006							
9	Year end:		31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006							Total
10															
11	Opening balance:	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
13	PILs proxy from April 1, 2005 - input 9/12 of amount										0				0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
15	True-up Variance Adjustment (3)	+/-		0	0	0	0	0	0	0	0	6,847	6,847	6,847	6,847
16	Deferral Account Variance Adjustment Q4, 2001 (4)										0				0
17	Deferral Account Variance Adjustment (5)	+/-		0	0	0	0	0	0	0	0	-17,473	-17,473	-17,473	-17,473
18	Adjustments to reported prior years' variances (6)	+/-										0	0	0	0
19	Carrying charges (7)	+/-		0	0	0	0	0	0	0	0	0	0	0	0
20	PILs billed to (collected from) customers (8)	-	0	0	0	0	0	0	0	0	0	0	0	0	0
21															
22	Ending balance: # 1562		0	0	0	0	0	0	0	0	0	-10,626	-10,626	-10,626	-10,626
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		true 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		true 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															