	A	В	С	D	E
1	PILs TAXES		_		Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Tay Hydro			Colour Code	
4	Reporting period: 2002			Input Cell Formula in Cell	
6	Days in reporting period:	365	days	r ormala in Gen	1
7	Total days in the calendar year:	365	days		
8					
9 10	BACKGROUND Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	У	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	n	
10					1
17	Is the utility a non-profit corporation? (If it is a non-profit corporation, please contact the Rates Manager at the OEB)		Y/N	n	1
18		ОСТ	Y/N	n	
19	shared among the corporate group?	LCT	Y/N	n	
20		OCT	T/IN	100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23 24			Data		
	Accounting Year End		Date	12-31-2002	
	MARR NO TAX CALCULATIONS				Regulatory
27 28	SHEET #7 FINAL RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)				Income
29					
30					
31	Rate Base (wires-only)			4,077,253	
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			349,217	
43	1999 return from RUD Sheet #7			173,613	173,613
45	Total Incremental revenue			175,604	
	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			58,535	58,535
48	Amount allowed in 2002			58,535	58,535
49 50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)			0	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			-	0
52	Other Board-approved changes to MARR or incremental revenue			-	0
53				_	0
54	Total Regulatory Income				290,683
55 56	Fauity			2,038,627	
57	Equity			2,038,627	
58	Return at target ROE			201,416	
59					
	Debt			2,038,627	
61	Deemed interest amount in 100% of MARR			147 000	
63				147,800	4
64	Phase-in of interest - Year 1 (2001)			98,253	
65	((D43+D47)/D41)*D61			400.007	
66 67	Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61			123,027	
68				123,027	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			147,800	
71					
72				1	

1         PLA SPEE         TOW         Note //         At //         Note // </th <th></th> <th>А</th> <th>В</th> <th>С</th> <th>D E</th> <th>F</th> <th>G</th> <th>Н</th>		А	В	С	D E	F	G	Н
Pins         Pins <th< td=""><td>1</td><td></td><td></td><td></td><td></td><td></td><td></td><td>- 11</td></th<>	1							- 11
3         TAZ ACCULATIONS (TAZACL)         Vertaining         Ve								
5	3							
6         User Private Sector         Image Sector					K-C	Explanation		
7         Reserved to price product with the sale of the s							Version 2009.1	
a         image: state in the calendar year:         Box         Image: state in the calendar year:         Image: state in								
3         Dots         maps.         Soc.         hys.         Image of the defaure variant		Reporting period: 2002					Column	
Dit Total age in the calendar year:         365         dya         Image: Second Sec		Days in reporting period:	365	davs				
Image: state in the s								
13         COPPORATE INCOME TAXES         1         268,722         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,724         98,813         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         268,725         1         1         1         268,725         1 <th1< th=""> <th1< th="">         1         <th< td=""><td></td><td>· · · · · · · · · · · · · · · · · · ·</td><td></td><td></td><td></td><td></td><td></td><td></td></th<></th1<></th1<>		· · · · · · · · · · · · · · · · · · ·						
To         COOPCRATE NOCUE TAXES         I         280,72         0<				\$	\$		\$	
18       Regulatory Net Income REGNED E33       1       208,722       0,9,03       0,90,03         19       Additions:       2       219,804       30,055       250,044         10       Bookinson A Annotazion NM Pad       2       219,804       30,055       250,044         10       Bookinson A Annotazion NM Pad       2       219,804       30,055       250,044         10       Bookinson A Annotazion NM Pad       4       0       0       0         12       Research From Numcial Statements - end of yam       4       0       0       0         12       Research From Numcial Statements - end of yam       6       0       0       0       0         12       Research From Numcial Statements - end of yam       6       0       0       0       0       0         13       Research From TANASE? - workheet       6       0 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
The Regulatory Net Income REGINFO Esa         1         288.726         99.813         99.813         99.813           To ANLT OT ANULTINENTS         -		I) CORPORATE INCOME TAXES						
17     BOOK TO TAX ADUSTMENTS     Image: Control of the second se		Desulatory Nat Income DECINED EE2	4	200 722	00.012		200.245	
16         COX TO TAK ADUSTNENTS         Image: Constraints         Image: Constraints </td <td></td> <td>Regulatory Net Income REGINFO E55</td> <td>1</td> <td>200,732</td> <td>99,013</td> <td></td> <td>300,343</td> <td>-</td>		Regulatory Net Income REGINFO E55	1	200,732	99,013		300,343	-
10         Additional:		BOOK TO TAX ADJUSTMENTS						
21         Enginese Branch Flams - Accrued, Net Paid         3         0         0         0         0           23         Reserves - Branchard Statements - and of year         4         0         0         0           23         Reserves - Branchard - NAREC / Worksheet         6         0         0         0           23         Networkshow (or Maneigh - NAREC / Worksheet         6         0         0         0           24         Networkshow (or Maneigh - NAREC / Worksheet         6         0         0         0           25         Networkshow (or Maneigh - NAREC / Worksheet         6         0         0         0           26         Networkshow (or Maneigh - NAREC / Worksheet         7         179.031         74.514         22.53.455           26         Deductorians - Advancts         8         0         0         0         0           28         Depuid Soit Advance and CEC         7         179.031         74.514         22.53.455           28         Depuid Soit Advance and CEC         7         179.031         74.514         20.00         0         0           28         Depuid Soit Advance and CEC         7         179.031         74.514         20.53.454         0         0								
22         Tax isserves - beginning of year         4         0         0           23         Reserves from incrical attements - ord year         4         0         0           24         Reserves from incrical attements - ord year         6         0         0           24         Reserves from incrical attements - ord year         6         0         0           25         Material internon 'TAKEEC' worksheet         6         0         0         0           20         Material internon 'TAKEEC '2' worksheet         6         0         0         0         0           20         Oper Aduitions fort Material' 'TAKEEC '2' worksheet         6         0         0         0         0         0           21         Oper Aduitions fort Material' 'TAKEEC '2' worksheet         7         17931         74514         2446         2446           23         Reserves from financial atterments - septime material'         1113737         96.30         0         0         0           20         Reserves from financial atterments - beginning of year         4         0         0         0         0           21         Contributions to defreed income plans         3         0         0         0         0         0				219,884	30,558		250,442	
22         Reserve from financial statements - end of year         4         0         0           23         Requisitory Alternative reserve from financial statements - end of year         6         0         0           23         Other Additional's more statements - end of year         6         0         0         0           24         Material lens from TAXEC 2* worksheet         6         0         0         0           23         Other Additions in Michel TIVAREC 2* worksheet         6         0         0         0           23         Material lens from TAXEC 2* worksheet         6         0         0         0         0           24         Material lens from TAXEC 2* worksheet         7         179/431         74.514         0         24.48         2.448           30         Material lens from TAXEC 2* worksheet         7         179/431         74.514         0 <td< td=""><td></td><td></td><td></td><td>0</td><td></td><td></td><td></td><td></td></td<>				0				
24         Regulatory Adjustments. increase in income         5         0         0         0           20         Mark Additions (for Markel)************************************								
20         Det Addition (See Tax entitied TAXREC')								-
22         Material" Items Teon "TAXEEC" worksheet         6         0         0           23         Other Additions fort Material 'TAXEEC'         6         0         0           23         Items on which true up does not apply "TAXEC 3"         2.448         2.448         2.448           23         Debut doising fort Material 'TAXEC 2"         2.448         2.448         2.448           23         Debut doising fort Material 'TAXEC 2"         17         175.31         74.514         253.948           23         Debut doising fort Material 'TaxEC 2"         7         179.531         74.514         253.948           23         Debut doising fort Asserptions doiting for the purposes in tem 5         10         0         0         0           24         Beare Capitalization for the purposes in tem 5         10         11         113.737         08.34         0			5		U		0	
22         Other Additions, Ind' Makerail' TAXREC'         6         0         0         0           29         Material Instrum TAXREC' worksheet         6         0         0         0           20         Inters on Which True-Up does not apply TAXREC 3''         6         0         0         0           30         Demos on Which True-Up does not apply TAXREC 3''         6         0         0         0           31         Demos on Which True-Up does not apply TAXREC 3''         1         74.511         24.44         24.44           32         Demos on Which True-Up does not apply TAXREC 3''         1         12.83.85         1         0         0         0         0           31         Demose Expendie Drans- Paid Annuth         8         0			6		0		0	-
20         Dirk Additions (not: Material') TAXREC 2'         6         0         0         0           31         Dirk Additions (not: Material') TAXREC 2'         1         2.448         2.448         2.448           32         Deductions: Input positive numbers         1         1         25.95         2.448         2.538           33         Defuctions: Input positive numbers         9         0         0         0         0           34         Encloyee Barnel former, Parloase An ouncouse in term 5         9         0	27	Other Additions (not "Material") "TAXREC"	6		0		-	
30         Items on which true-up does not apply "TAXREC 3"         2 <th2< th="">         2         <th2< th="">         2</th2<></th2<>							0	
31         CPU Allowance and CEC         7         172341         74,514         223,045           32         Depletions: Input positive numbers         6         0         0         0         0           33         Depletions: Input positive numbers         8         0         0         0         0         0           34         Enclose Bank Trans - Baid Anounts         8         0 <td></td> <td></td> <td>6</td> <td></td> <td>9</td> <td></td> <td>0</td> <td></td>			6		9		0	
32         Decision : Input positive numbers         Image: Constraint input positinput positinput positive numbers <thimage: constraint<="" td=""><td></td><td>Items on which true-up does not apply "TAXREC 3"</td><td>I</td><td></td><td>2,448</td><td></td><td>2,448</td><td></td></thimage:>		Items on which true-up does not apply "TAXREC 3"	I		2,448		2,448	
33       Capital Cost Allowance and CEC       7       172,431       74,514       283,445         34       Encloyee Benefit Plans - Paid Announts       8       0       0       0         35       Iters Capital Cost Allowance and CEC       9       0       0       0         35       Iters Expense Deemed Incurred       11       113,727       96,438       210,086         36       Tax reserves. and or year       4       0       0       0       0         36       Tax reserves. and or year       4       0       0       0       0         37       Interest capitalized for Repulsion plant       3       0       0       0       0         37       Componitions (See Tab endition for tax zuman plant       3       0       0       0       0         40       Dome Double (See Tab endition for tax zuman plant       12       0       0       0       0         41       Material terms from TAXREC 2" worksheet       12       0       0       0       0       0         42       Other Double'on for Material terms from TAXREC 2" worksheet       12       0       0       0       0       0         43       Deber Doucoome tax and terma plant in taxe and terms on		Deductioner level a still	I					
32       Employee Beeneti Plans Paid Amounts       8       0       0       0         33       Employee Beeneti Plans Paid Amounts       9       0       0       0         33       Englicitud Sch Regulatory Adjustments - deduction for tax purposes in tem 5       10       0       0       0         34       Englicitud Sch Regulatory Adjustments - deduction for tax purposes in tem 5       10       0       0       0         35       Englicitud Sch Regulatory Adjustments - beginning of year       4       0       0       0       0         35       Englicitud Sch Regulatory Adjustments - beginning of year       4       0       0       0       0         41       Contributions to persion plans       3       0       0       0       0       0         42       Other Deductions (for Material) 'TAXREC'       12       0       0       0       0         43       Material Tens from TAXREC' worksheet       12       0       0       0       0         44       Material Tens from TAXREC' worksheet       12       0       0       0       0         45       There Deductions (for Material') TAXREC 2*       12       0       0       0       0         54       Te			-	170 404	74 54 4		252.045	<u> </u>
33         Berns Capitalized for Regulatory Purposes         9         0         0         0           33         Bergulatory Adjustments - deduction for tax purposes in hem 5         10         0         0         0           31         Interest Expense Deemed / Incured         11         113,727         96,349         210,086           33         Besterves from financial statements - beginning of year         4         0         0         0           33         Besterves from financial statements - beginning of year         4         0         0         0           34         Contributions to persion plans         3         0         0         0         0           35         Dhen Deduction (and Yanker CP)*         11         0         0         0         0           36         Other Deductions (and Yanker CP)*         12         0         0         0         0           37         Other Deductions (and Yanker CP)*         12         0         0         0         0           36         Other Deductions (and Yanker CP)*         12         0         0         0         0           37         Other Deductions (and Yanker CP)*         12         0         0         0         0      <								-
33       Begulatory Adjustments - deduction for tax purposes in item 5       10       0       0       0       0         33       Taxreserves - and of year       4       0       0       0       0         33       Taxreserves - and of year       4       0       0       0       0         34       Description famoral statements - beginning of year       4       0       0       0       0         40       Contributions to deferred income plans       3       0       0       0       0       0         41       Contributions to persion plant       3       0       0       0       0       0         42       Interest capitalized for accounting but deducted for tax       11       0       0       0       0       0         43       Interest capitalized for accounting but deducted for tax       11       0       0       0       0       0         44       Other Deductions (nor Materita) TAXREC Winsheet       12       0       0       0       0       0       0         45       Interest capitalized for accounting but deducted for tax       13       19128       0       0       0       0       0       0       0       0       0       <								
37       Interset Expense Denned/ Incured       11       113,737       96.348       210.088         38       Tax reserves - end of year       4       0       0       0         38       Reserves from financial statements - beginning of year       4       0       0       0         30       Reserves from financial statements - beginning of year       3       0       0       0         41       Contributions to pension plans       3       0       0       0       0         41       Contributions to pension plans       3       0       0       0       0         42       Interest cupitalized for accounting but deducted for tax       11       0       0       0       0         43       Other Deductions (ort Material) 'TAXREC'       12       0       0       0       0         44       Material transfrom TAXREC' worksheet       12       0       0       0       0       0         45       Name to motific three up does not apply 'TAXREC 3''       12       0       0       0       0       0         46       Incore and which three-up does not apply 'TAXREC 3''       195.248       (38.244)       Before 2001 loss CF       157.204       10       10       10							-	
33         Reserves from financial statements - beginning of year         4         0         0         0           41         Contributions to defersed income plans         3         0         0         0           42         Contributions to defersed income plans         3         0         0         0           43         Other Deductions (Bot Edducted for tax         11         0         0         0           43         Other Deductions (Income plans         12         0         0         0           44         Material Herrs from TAXREC'         12         0         0         0           45         Other Deductions (Incom Material) 'TAXREC'         12         0         0         0           47         Other Deductions (Incom Material) 'TAXREC'         12         0         0         0           48         Items from TAXREC'         12         0         0         0         0           49         Items from TAXREC'         12         0         0         0         0           50         TAXABLE INCOME / IAXREC 3"         195,448         (38,244)         Before 2001 loss CF         157,224           51         TAXABLE INCOME TAX RATE         13         191,2%         -0	37	Interest Expense Deemed/ Incurred		113,737	/			
40         Contributions to deferred income plans         3         0         0         0           41         Contributions to pension plans         3         0         0         0           42         Interest capitalized for accounting but deducted for tax         11         0         0         0           43         Other Deductions (See Table and related 'TAXREC')         12         0         0         0           44         'Material items from 'TAXREC'         12         0         0         0         0           45         Other Deductions (not 'Material' TAXREC')         12         0         0         0         0           46         Material items from 'TAXREC' worksheet         12         0         0         0         0           47         Other Deductions (not 'Material') 'TAXREC''         12         0         0         0         0           48         Interset capitalized for max the target status inform Table 2         15         15         15         15         15         15         15         15         16         16         16         16         16         16         16         16         16         16         16         16         16         16         16							-	
41       Contributions to pension plans       3       0       0       0         42       Interest conting but deducted for tax       11       0       0       0         43       Other Deductions (Ge Tab entitled TARREC)       12       0       0       0         44       Material TARREC worksheet       12       0       0       0         45       Other Deductions (not "Material") TARREC 2"       12       0       0       0         46       Material thems from TAXREC 2" worksheet       12       0       0       0       0         47       Other Deductions (not "Material") TAXREC 2"       12       0       0       0       0         48       Items from TAXREC 2" worksheet       12       0								
42       Interest capitalized for accounting but deducted for tax       11       0       0       0         43       Other Deductions (See Tab entitled 'TAXREC')       12       0       0       0         44       Material Items from 'TAXREC' worksheet       12       0       0       0       0         45       Other Deductions (not 'Naterial') 'TAXREC?'       12       0       0       0       0         46       Material Items from 'TAXREC?'       12       0       0       0       0         47       Other Deductions (not 'Naterial') 'TAXREC?'       12       0       0       0       0         48       Items on which true-up does not apply 'TAXREC 3''       12       0       0       0       0         49       TAXABLE INCOME / (LOSS)       198,448       (38,244)       Before 2001 loss CF       157,204         51       Bat Tax Rates - Regulatory from Table 1; Actual from Table 3       13       19,12%       0       0       19,12%         52       Befour Accual from Table 1; Actual from Table 3       13       19,12%       0       Actual       0         53       Macellaneous Tax Credits       14       0       0       Actual       0       14       0       14 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td>							-	
43       Other Deductions (See Tab entitled TAXREC)       -							-	
44       "Material" TAXREC" worksheet       12       0       0       0         50       Other Deductions (not "MarkEC" worksheet       12       0       0       0         46       Material TaxREC 2" worksheet       12       0       0       0       0         47       Other Deductions (not "MarkEC 2"       12       0       0       0       0         40       Other Deductions (not "MarkEC 2"       12       0       0       0       0         41       Items on which true-up does not apply "TAXREC 3"       0       0       0       0       0         42       TAXABLE INCOME / (LOSS)       1195.448       (38.244)       Betore 2001 loss C/F       1157.204       1         31       Tax Arates - Regulatory from Table 1; Actual from Table 3       13       19.12%       0.0002%       19.12%       1         35       EGULATORY INCOME TAX       37.370       -14.644       Actual       22.728       1         36       Miscellaneous Tax Credits       14       0       Actual       22.728       1         37       Total Regulatory Income Tax       15       4.077.253       577.467       4.654.720       1         38       Miscellaneous Tax Credits			1		0			
45       Other Deductions (not "Material") "TAXREC"       12       0       0         46       Material inters from "TAXREC 2" worksheet       12       0       0         47       Other Deductions (not "Material") "TAXREC 2"       12       0       0       0         48       Items on which true-up does not apply "TAXREC 3"       12       0       0       0       0         50       TAXABLE INCOME / LOSS)       1       195,448       (38,244)       Belore 2001 loss CIF       1157,204       1157,204         51       TAX Rates - Regulatory from Table 1; Actual from Table 3       13       19,12%       -0,0002%       19,12%       146,44       Actual       22,726       12         56       5       6       - <td< td=""><td>44</td><td>"Material" Items from "TAXREC" worksheet</td><td></td><td></td><td>-</td><td></td><td>0</td><td></td></td<>	44	"Material" Items from "TAXREC" worksheet			-		0	
47       Other Deductions (not: "Matterial") "TAXREC 3"       12       0       0         48       Items on which true-up does not apply "TAXREC 3"       0       0       1         50       TAXABLE INCOME / (LOSS)       195,448       (38,244)       Betore 2001 loss C/F       157,204       1         51       TAXABLE INCOME / (LOSS)       19195,448       (38,244)       Betore 2001 loss C/F       157,204       1         52       BLENDED INCOME TAX RATE       13       19,12%       -0.0002%       19,12%       1         53       TaX Ra tates - Regulatory from Table 1; Actual from Table 3       13       19,12%       -0.0002%       19,12%       1         54       SREGULATORY INCOME TAX       37,370       -14,644       Actual       22,726       1         55       REGULATORY INCOME TAX       37,370       -14,644       Actual       0       1<		Other Deductions (not "Material") "TAXREC"						
Items on which true-up does not apply "TAXREC 3"         0         0         0           49         50         145         0         0         0           49         50         145         0         0         0         0           51         57         53         150         195,248         0.0002%         191,25%								
Initial of minor of the up of provided of the provided	_		12				0	
50       TAXABLE INCOME / (LOSS)       195,448       (38,244)       Before 2001 loss C/F       157,204         52       BLENDED INCOME TAX RATE		items on which true-up does not apply "TAXREC 3"			0		0	
51         Image: state interval i		TAXABLE INCOME/ (LOSS)	1	105 //9	(20.2/4)	Refore 2001 Loss C/E	157 204	
Image: Second			1	130,440	(30,244)	Delute 2001 1055 C/F	137,204	
133       13       19.12%       -0.0002%       19.12%       19.12%         54       56       -0       <		BLENDED INCOME TAX RATE	1					
55       REGULATORY INCOME TAX       37,370       -14,644       Actual       22,726         56	53		13	<u>19.12%</u>	-0.0002%		<u>19.12</u> %	
56         m<								
57         Image: Construct of the second secon		REGULATORY INCOME TAX		37,370	-14,644	Actual	22,726	
58       Miscellaneous Tax Credits       14       0       Actual       0         59				<u> </u>				
59       m		Miscellaneous Tax Credits	14		0	Actual	0	
60       Total Regulatory Income Tax       37,370       -14,644       Actual       22,726         61 <td></td> <td></td> <td>1.4</td> <td></td> <td>0</td> <td>Actual</td> <td>0</td> <td></td>			1.4		0	Actual	0	
61       0       0       0       0         62       0       0       0       0         64       0       0       0       0         64       0       0       0       0       0         65       Ontario       0       0       5,000,000       0       0         67       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       16       5,000,000       0       0       5,000,000         68       Taxable Capital       0       0       577,467       4,654,720       0         69       0       577,467       -345,280       0       0       0       345,280       0         70       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       17       0.3000%       0.0000%       0       0       0         71       0		Total Regulatory Income Tax	1	37,370	-14,644	Actual	22,726	
63       i) CAPITAL TAXES       I								
64       Image: Contario       Image: Contar				ļ				
65       Ontario       Image: Marcine Structure		II) CAPITAL TAXES	I					
66       Base       15       4,077,253       577,467       4,654,720         67       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       16       5,000,000       0       5,000,000         68       Taxable Capital       0       577,467       -345,280       -         69       0       577,467       -345,280       - <td></td> <td>Ontario</td> <td></td> <td>   </td> <td></td> <td></td> <td></td> <td></td>		Ontario						
67       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       16       5,000,000       0       5,000,000         68       Taxable Capital       0       577,467       -345,280         69       0       577,467       -345,280         70       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       17       0.3000%       0.0000%       0.3000%         71       0       0       0       0       0       0       0         72       Ontario Capital Tax       0       0       0       0       0       0         73       0       0       0       0       0       0       0       0         75       Base       18       4,077,253       -4,077,253       0       0       0         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         78       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3			15	4 077 253	577 467		4 654 720	
68       Taxable Capital       0       577,467       -345,280         69       0       0       0       0       0         70       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       17       0.3000%       0.0000%       0.3000%         71       0       0       0       0       0       0       0         72       Ontario Capital Tax       0       0       0       0       0       0         73       0       0       0       0       0       0       0       0         74       Federal Large Corporations Tax       0       0       0       0       0       0         75       Base       18       4,077,253       -4,077,253       0				/- /	0,1,407			-
69			Ľ		577,467			
71       71       0       0       0       0         72       Ontario Capital Tax       0       0       0       0         73       0       0       0       0       0       0         73       0       0       0       0       0       0       0         74       Federal Large Corporations Tax       18       4.077,253       -4.077,253       0       0         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         77       Taxable Capital       0       -4.077,253       -10,000,000       10,000,000         77       Taxable Capital       0       0       -4.077,253       -10,000,000         78       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.2250%       0.0000%       0.2250%         80       10       10       10       10       10       10       10         81       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       -22,500       22,500       22,500       12,500         82       Less: Federal Surtax 1.12% x Taxable Income       21       0       0       20	69							
72       Ontario Capital Tax       0       0       0       0         73       0       0       0       0       0         74       Federal Large Corporations Tax       0       0       0       0       0         74       Federal Large Corporations Tax       0       0       0       0       0       0         75       Base       18       4,077,253       -4,077,253       0       0       0         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       0       10,000,000       0         77       Taxable Capital       0       -4,077,253       -10,000,000       -		Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.000%		0.3000%	
73       74       Federal Large Corporations Tax       75       76       77       78       78       79       79       70		Ontaria Capital Tax				0		
74     Federal Large Corporations Tax     Image: Corporations Tax     Image: Corporations Tax       75     Base     18     4.077,253     -4.077,253     0     0       76     Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3     19     10,000,000     0     0     -10,000,000       77     Taxable Capital     0     -4.077,253     -10,000,000     10,000,000       78     0     -4.077,253     0     0     2250%       79     Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3     20     0.2250%     0.0000%     0       80     0     0     -22,500     0     0     0       81     Gross Amount of LCT before surtax offset (Taxable Capital x Rate)     0     -22,500     0     0       82     Less: Federal Surtax 1.12% x Taxable Income     21     0     0     0     0       83     Met LCT     0     -22,500     0     -22,500     0		Untario Capital Tax		0	0	V	0	
75       Base       18       4,077,253       -4,077,253       0         76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         77       Taxable Capital       0       -4,077,253       -10,000,000       -10,000,000         78       0       -4,077,253       -10,000,000       -10,000,000       0         78       78       0       0       -4,077,253       0       0         79       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.2250%       0.0000%       0.2250%         80       0       0       -22,500       0       -22,500       -22,500         81       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       -22,500       -22,500         82       Less: Federal Surtax 1.12% x Taxable Income       21       0       0       0       0       -22,500         83       18       0       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       -22,500       <		Federal Large Corporations Tax	1					
76       Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19       10,000,000       0       10,000,000         77       Taxable Capital       0       -4,077,253       -10,000,000         78       0       -4,077,253       -10,000,000         79       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.2250%       0.0000%       0.2250%         80       0       0       -22,500       0       0       -22,500         81       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       -22,500         82       Less: Federal Surtax 1.12% x Taxable Income       21       0       0       0         83       0       0       -22,500       0       -22,500         84       Net LCT       0       0       -22,500			18	4,077,253	-4,077,253		0	-
77       Taxable Capital       0       -4,077,253       -10,000,000         78       0       -4,077,253       -10,000,000         79       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.2250%       0.0000%       0.2250%         80       0       0       -22,500       0       -22,500       0         81       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       -22,500         82       Less: Federal Surtax 1.12% x Taxable Income       21       0       0       0         83       0       0       -22,500       -22,500       -22,500					0		10,000,000	
79       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.2250%       0.0000%       0.2250%         80       6       6       6       6       6       6         81       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       6       -22,500       6       2         82       Less: Federal Surtax 1.12% x Taxable Income       21       0       0       0       6	77				-4,077,253		-10,000,000	
80         60<								
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       0       -22,500       -22,500         82 Less: Federal Surtax 1.12% x Taxable Income       21       0       0       0         83       8       0       -22,500       -22,500         84 Net LCT       0       -22,500       -22,500		Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%		0.2250%	
82         Less: Federal Surtax 1.12% x Taxable Income         21         0         0         0           83         84         Net LCT         0         -22,500         -22,500		Cross Amount of LCT before surfax offset (Taxable Conitel y Date)			22.500		22 500	
83         Image: Constraint of the second seco			21				· · · · · ·	
84 Net LCT 0 -22,500 -22,500				0	0		0	
	84	Net LCT		0	-22,500		-22,500	
	85							

	Α	В	С	D	E	F	G	Н
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)		Lotinuto		Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0					•	Version 2009.1	
	Utility Name: Tay Hydro							
	Reporting period: 2002							
8							Column	
	Days in reporting period:	365	days				Brought	
	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
87	III) INCLUSION IN RATES							
	Income Tax Rate used for gross- up (exclude surtax)		18.00%					
89	Income Tax Rate used for gross- up (exclude surfax)		10.00%					
	Income Tax (proxy tax is grossed-up)	22	45,573			Actual 2002	22,726	
	LCT (proxy tax is grossed-up)	23	40,070			Actual 2002	0	
	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2002	0	
93						FIGURAL ROOM		
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	45,573			Actual 2002	22,726	I
96	RAM DECISION							
97								
98								
	IV) FUTURE TRUE-UPS			L				
	IV a) Calculation of the True-up Variance				DR/(CR)			
	In Additions:							
	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4		L	0			
	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			0			
	In Deductions - positive numbers							
	Employee Benefit Plans - Paid Amounts	8			0			
	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell E206) Tax reserves claimed in current year	11 4			<u>62,286</u> 0			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans	3			0			
	Contributions to pension plans	3			0			
	Other deductions "Material" Items TAXREC	12			0			
	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		II	-62,286			
121								
	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			х	19.12%			
123							<u> </u>	
	Income Tax Effect on True-up adjustments			=	-11,909		+	
125	Looo: Miccollopoous Tax Cradita	14		-			+	
126	Less: Miscellaneous Tax Credits	14		—	0		+	<u> </u>
	Total Income Tax on True-ups			-	-11,909		+	
120	rotarmoomo tax on mue-upo				-11,309			
	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131					. 0.0070			
	TRUE-UP VARIANCE ADJUSTMENT				(14,523)			
133								
	IV b) Calculation of the Deferral Account Variance caused by							
	changes in legislation							
135								
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
136	estimate column)			=	195,448			
137								
	REVISED CORPORATE INCOME TAX RATE			х	19.12%			
139								
	REVISED REGULATORY INCOME TAX	-		=	37,370			
141 142	Less: Revised Miscellaneous Tax Credits			-	0			
142	LESS. NEVISEU WISCEIIdHEUUS TAX CIEUILS	-		-	0		+	
	Total Revised Regulatory Income Tax			=	37,370			
145					01,070			
Ť	Less: Regulatory Income Tax reported in the Initial Estimate Column							
146	(Cell C58)			-	37,370			
147								
	Regulatory Income Tax Variance			=	1			
149								1 1

	А	В	С	D	E	F	G	н
1								- 11
1		ITEM	Initial		M of F	M of F	Tax	⊢ –
-	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: Tay Hydro							
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			Ψ		Ψ		Ψ	
	Ontario Capital Tax	1						
	Base			-	4,077,253			
				-	5.000.000			
	Less: Exemption from tab Tax Rates, Table 2, cell C39							
153	Revised deemed taxable capital			=	(922,747)			
154								
155	Rate - Tab Tax Rates cell C54			Х	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell	1						
158	C70)	1		-	0			
159	Regulatory Ontario Capital Tax Variance	1		=	Ŭ.			
160		1						
	Federal LCT	1						
	Base	1			4,077,253		1	$\vdash$
	Less: Exemption from tab Tax Rates, Table 2, cell C40			-				
				_	10,000,000			⊢_
	Revised Federal LCT	l		=	(5,922,747)			⊢ –
165								
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
	Gross Amount				0			
	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)				30.75%			
176	Actual Income Tax Nate used for gross-up (exclude suitax)				30.7376		-	
	Income Tex (ground up)			+	1			
	Income Tax (grossed-up)			-	0			
	LCT (grossed-up)			+				
	Ontario Capital Tax			+	0			
180								-
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	1			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(14,523)			
184		1		1				
185	Total Deferral Account Entry (Positive Entry = Debit)	1		=	(14,522)			
186		1						
187		1						
188		1		1				
189		1		1				
				1				⊢_
	V) INTEREST PORTION OF TRUE-UP	I		1				⊢ – ∣
	Variance Caused By Phase-in of Deemed Debt			1				$\square$
192		1		1				
	Total deemed interest (REGINFO)	1		1	147,800			
194	Interest phased-in (Cell C37)	1		1	113,737			
195								
196	Variance due to phase-in of debt component of MARR in rates	1		$  \neg$	34,063			
197								
198		1		1				
	Other Interest Variances (i.e. Borrowing Levels	1		1				
	Above Deemed Debt per Rate Handbook)	1		1				
	Interest deducted on MoF filing (Cell G37+G42)	1		1	210,086			
	Total deemed interest (REGINFO CELL D62)	1		+	147,800		1	<u> </u>
	I OLAI UEEINEU IIILEIESI (REGINFO GELL DOZ)	l			147,000			
203		I		1	00.055			<u> </u>
	Variance caused by excess debt			1	62,286			<u> </u>
205		I		1				
	Interest Adjustment for Tax Purposes (carry forward to Cell E112)	I			62,286			
207		1						
	Total Interest Variance				-28,222			
209								
210		1						
211		1						
			1	<u> </u>			1	

	A	<b>D</b>	0	D	F	-
1	A PILs TAXES	B LINE	C M of F	D Non-wires	E Wires-only	F
	TAX RETURN RECONCILIATION (TAXREC)	LINE	Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	Emmatorio	Return	
4	0		Return			
5					Version 2009.1	
	Section A: Identification:					
7	Utility Name: Tay Hydro					
	Reporting period: 2002 Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12	······································					
13	Please enter the Materiality Level :		0	< - enter materiality	/ level	
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17 18	Does the utility carry on non-wires related operation?	Y/N				
19	(Please complete the questionnaire in the Background questionnaire	worksr	ieet.)			
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	expens	e and provision for i	ncome tax		
26 27	Please enter the non-wire operation's amount on a positive number, the pro-	l ogram i	utomatically troots	all amounts		
27	Please enter the non-wire operation's amount as a positive number, the pro in the "non-wires elimination column" as negative values in TAXREC and T			an announts		
29	an and there will be commindation columnity as negative values in TAAMEC drift T	- UNINE C				
	Income:					
31	Energy Sales	+	3,274,725		3,274,725	
32	Distribution Revenue	+	1,049,034		1,049,034	
33	Other Income	+	177,349		177,349	
34 35	Miscellaneous income	+			0	
	Powerwe should be entered shours this line	+			0	
36	Revenue should be entered above this line					
	Costs and Expenses:	1				
39	Cost of energy purchased	-	3,274,725		3,274,725	
40	Administration	-	275,328		275,328	
41	Customer billing and collecting	-	172,038		172,038	
42	Operations and maintenance	-	172,780		172,780	
43	Amortization	-	237,892		237,892	
44		-	0		0	
45 46		-			0	
40		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	368,345	0	368,345	
51	Less: Interest expense for accounting purposes	-	210,086		210,086	
52	Provision for payments in lieu of income taxes	-	45,000		45,000	
53	Net Income (loss)	=	113,259	0	113,259	
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					
	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	45,000	0	45,000	
	Federal large corporation tax Depreciation & Amortization	+++	250,442	0	250,442	
	Employee benefit plans-accrued, not paid	+ +	250,442	0	250,442	
	Tax reserves - beginning of year	+	0	0	0	
	Reserves from financial statements- end of year	+	0	0	0	
	Regulatory adjustments on which true-up may apply (see A66)	+			0	
	Items on which true-up does not apply "TAXREC 3"		2,448	0	2,448	
	Material addition items from TAXREC 2	+	0	0	0	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69 70	Subtotal		297,890	0	297.890	
70	Subiolai		297,690	0	291,090	
	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense	+	0		0	
	Capital items expensed	+			0	
	DEPRECIATION DIFFERENCE	+			0	
77 78		++			0	
79		+ +			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	297,890	0	297,890	
83						
	Recap Material Additions:					l
85 86			0	0	0	
86 87			0	0		
88			0	0		
89			0	0	0	
90			0	0		
91			0	0		
	Total Other additions >materiality level		0	0		
	Other additions (less than materiality level)		0	0		
54	Total Other Additions		0	0	0	L

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
95						

	A	В	С	D	E	F
1 PIL	s TAXES	LINE	M of F	Non-wires	Wires-only	-
	X RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	"wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
	OK TO TAX DEDUCTIONS: bital cost allowance	-	244,366		244.366	
	nulative eligible capital deduction	-	9,579		9,579	
	ployee benefit plans-paid amounts	-	0,010		0,010	
	ns capitalized for regulatory purposes	-			0	
	gulatory adjustments :	-			0	
	CA	-			0	
	ther deductions <td>-</td> <td>0</td> <td>0</td> <td>0</td> <td></td>	-	0	0	0	
	serves from financial statements- beginning of year	-	0	0	0	
	ntributions to deferred income plans	-	0	0	0	
	ntributions to pension plans	-			0	
108 Iter	ms on which true-up does not apply "TAXREC 3"		0	0	0	
	erest capitalized for accounting deducted for tax	-	0		0	
	terial deduction items from TAXREC 2	-	0	0	0	
111 Oth 112	er deduction items (not Material) from TAXREC 2	-	0	0	0	
112	Subtotal	=	253,945	0	253.945	
	er deductions (Please explain the nature of the deductions)	-	200,940	0	200,940	
	aritable donations - tax basis	-			0	
116 Gaii	in on disposal of assets	-			0	
117		-			0	
118					0	
119 120	Total Other Deductions	-	0	0	0	
120		=	0	0	0	
122	Total Deductions	=	253,945	0	253,945	
123						
	cap Material Deductions:					
125			0	0	0	
126 127			0	0	0	
128			0	0	0	
129			0	0	0	
	al Other Deductions exceed materiality level		0	0	0	
	er Deductions less than materiality level		0	0	0	
	al Other Deductions		0	0	0	
133 134 TAX	XABLE INCOME	=	157,204	0	157,204	
134 TAX 135 DEC		=	157,204	0	137,204	
	on-capital loss applied positive number	-	38,343		38,343	
	et capital loss applied positive number	-			0	
138					0	
	T TAXABLE INCOME	=	118,861	0	118,861	
140	OM ACTUAL TAX RETURNS					
	Federal Income Tax (Must agree with tax return)	+	15,594		15,594	
	Ontario Income Tax (Must agree with tax return)	+	7,132		7,132	
144 St	ubtotal	=	22,726	0	22,726	
	s: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
	al Income Tax	=	22,726	0	22,726	
147						
140 FRC	OM ACTUAL TAX RETURNS Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	
	Ontario Income Tax Rate (Must agree with tax return)		6.00%		6.00%	
	lended Income Tax Rate		19.12%		19.12%	
152						
	ction F: Income and Capital Taxes					
154	04.5					
155 REC 156 Tota	CAP al Income Taxes	+	22,726	0	22,726	
	arincome raxes	++	22,720	0	22,726	
158	#VALUE!	+	0		0	
159						
	otal income and capital taxes	=	22,726	0	22,726	
161						

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	•
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
	Utility Name: Tay Hydro					
8 9	Reporting period: 2002					
	TAX RESERVES					
11	TAX NEGENVEG					
	Beginning of Year:					
13					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe Other - Please describe				0	
20	Unici - Ficase describe				0	
20					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
23				<b>`</b>		
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe Other - Please describe		-		0	
32	Other - Please describe				0	
33					0	
	Insert line above this line				-	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
	FINANCIAL STATEMENT RESERVES					
39	De single a of Verse					
40	Beginning of Year:				0	
41					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
	Other - Please describe				0	
49				-	0	
50 51	Total (carry forward to the TAXREC worksheet)		0	0	0	
	End of Year:				1	
53					0	
54					0	
	Environmental				0	
	Other Liabilities (2405) - Allowance for doubtful accounts		0		0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
61	Incort line above this line				0	
	Insert line above this line Total (carry forward to the TAXREC worksheet)		0	0	0	
64	I Utal (Carry IOI Wald to the TAAREC WORSheet)		0	0	0	
57					1	

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

	А	В	С	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Tay Hydro					
9	Reporting period: 2002					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12	•					
13						
80						
	Deduct:					
	Gain on disposal of assets per f/s	-	0		0	
	Dividends not taxable under section 83	-	0		0	
	Terminal loss from Schedule 8	-			0	
	Depreciation in inventory, end of prior year	-			0	
	Scientific research expenses claimed in year from Form T661	-			0	
	Bad debts	-			0	
	Book income of joint venture or partnership	-			0	
	Equity in income from subsidiary or affiliates	-			0	
	Contributions to a qualifying environment trust	-			0	
	Other income from financial statements	-			0	
91		-			0	
	OPEB Amounts Capitalized	-	0		0	
93	OPEB Amounts Capitalized	-	0		0	
94 95	Other deductions: (Please explain in detail the nature of the item)	-			0	
	Non-taxable load transfers	-			0	
					0	
97	Prospectus & underwriting fees	-				
90	Tatal Daduatiana		0	0	0	
99 100	Total Deductions	=	0	0	0	
	Dense of Material Dathering					
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						

<u> </u>	А	В	С	D	E F
1	A	Б	C	D	E F
	PILs TAXES				
	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
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
7	0		Return		
	Utility Name: Tay Hydro				Version 2009.1
9					
10 11					
	Reporting period: 2002 Number of days in taxation year:		365		
13	Number of days in taxation year.		505		
14					
15					
	Section C: Reconciliation of accounting income to taxable income				
	Add:				
18 19	Recapture of capital cost allowance	+			0
	CCA adjustments	+			0
	CEC adjustments	+			0
22	Gain on sale of non-utility eligible capital property	+			0
23	Gain on sale of utility eligible capital property	+			0
	Loss from joint ventures or partnerships	+	1,360		1,360
	Deemed dividend income	+			0
	Loss in equity of subsidiaries and affiliates Loss on disposal of utility assets	+	838		0 838
	Loss on disposal of non-utility assets	+	030		030
	Depreciation in inventory -end of year	+			0
	Depreciation and amortization adjustments	+			0
	Dividends credited to investment account	+			0
	Non-deductible meals	+	250		250
	Non-deductible club dues	+			0
	Non-deductible automobile costs Donations - amount per books	+			0
	Interest and penalties on unpaid taxes				0
	Management bonuses unpaid after 180 days of year end				0
	Imputed interest expense on Regulatory Assets				0
39		+			0
	Ontario capital tax adjustments	+			0
41 42	Changes in Regulatory Asset balances	+			0
_	Other Additions: (please explain in detail the nature of the item)	+			0
	Partnership income per T5013 (net of 2001 loss)	+	0		0
45	Amortization of debt discount	+	0		0
	RSVA Reserve (1580)		0		
	Reserves for Transition Costs		0		
48 49	Reserves for rebate payment		0		
	Total Additions on which true-up does not apply	+	2,448	0	2,448
51		_	2,110	0	2,440
	Deduct:				
53					
	CCA adjustments	-			0
	CEC adjustments	-			0
	Depreciation and amortization adjustments Gain on disposal of assets per financial statements	-			0
	Financing fee amorization - considered to be interest expense for PILs	-			0
	Imputed interest income on Regulatory Assets	-			0
60	Donations - amount deductible for tax purposes	-			0
	Income from joint ventures or partnerships	-			0
62		-			0
63 64		-			0
65		-			0
66		-			0
67	Ontario capital tax adjustments to current or prior year	-	0		0
68		-			0
	Changes in Regulatory Asset balances	-			0
70 71	Other deductions: (Please explain in detail the nature of the item)	-			0
	Prospectus & underwriting fees	-	0		0
	Income not earned on movement of Regulatory A/Cs	-	0		0
	Deferred cost deductible (market ready)	-	0		0
75	· · · ·	-			0
76	Total Deductions on which true-up does not apply	=	0	0	0
77 78		<u> </u>			
78		1			

A PILs TAXES	В	С	D	E	F
PILs TAXES					laralar 2000
Corporate Tax Rates Exemptions, Deductions, o	r Threshold	ls		v	ersion 2009.
Utility Name: Tay Hydro					
Reporting period: 2002					
					Table 1
Rates Used in 2002 RAM PI	Ls Applicat	ions for 2002			Table 1
Income Range		0		200,001	
RAM 2002		to		to	>700,000
1 2 Income Tax Rate	Year	200,000		700,000	
Proxy Tax Year	2002				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
3 Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax	MAX	5,000,000			
1 Exemption ** Federal Large	\$5MM				
Corporations Tax	MAX	10,000,000			
2 Exemption **	\$10MM				
**Exemption amounts	must agre	e with the	Board-app	roved 200	02 RAM
PILs filing					
4					
			_		Table 2
Expected Income Tax Rates Income Range	s for 2002 a		ax Exemption	s for 2002 200,001	
7 Income Range B Expected Rates		0 to		200,001 to	>700,000
Ð	Year	200,000		700,000	,
Income Tax Rate					
Current year	2002	40.400/		00.400/	00.400/
2 Federal (Includes surtax) 3 Ontario	2002 2002	13.12% 6.00%		26.12% 6.00%	26.12% 12.50%
4 Blended rate	2002	19.12%		32.12%	38.62%
5					
Capital Tax Rate	2002	0.300%			
7 LCT rate B Surtax	2002 2002	0.225%			
Ontario Capital Tax	MAX				
Exemption *** 2002	\$5MM	5,000,000			
Federal Large	MAX	40.000.000			
Corporations Tax Exemption *** 2002	\$10MM	10,000,000			
***Allocation of exemp	tions mus	st comply y	vith the Bo	ard's instr	ructions
regarding regulated as					
					Table 3
Input Information from Utili	ty's Actual	2002 Tax Ret	urns		
5 Income Range		0		200,001	
5	Year	to 200.000		to 700,000	>700,000
<sup>∂</sup> Income Tax Rate	rear	200,000		700,000	
Current year	2002				
Federal (Includes surtax)		13.12%		22.12%	13.12%
1 Ontario		6.00%		9.75%	6.00%
2 Blended rate		19.12%		31.87%	19.12%
3 4 Capital Tax Rate		0.300%			
5 LCT rate		0.300%			
		1.12%			
Surtax	MAX	143,455			
Ontario Capital Tax		170,700			
Ontario Capital Tax Exemption *	\$5MM				
Ontario Capital Tax Exemption * Federal Large	\$5MM MAX	0			
Ontario Capital Tax <u>Exemption</u> * Federal Large Corporations Tax	\$5MM	0			
Ontario Capital Tax <u>Exemption</u> * Federal Large Corporations Tax Exemption *	\$5MM MAX \$10MM		ocation cal	culations	in your
Ontario Capital Tax Exemption * Federal Large Corporations Tax	\$5MM MAX \$10MM actual ta	x return all			in your

	А	В	С	D	E	F	G	Н	I	J	К	L	М	Ν	0
	PILs TAXES														
2	Analysis of PILs Tax Account Utility Name: Tay Hydro	t 1562:	:												Version 2009.1
4	Reporting period: 2002				Sian Conventi	on: +	for increase;	- fo	r decrease						0
5															
6 7															
8	Year start:		8/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10			]						J						
11	Opening balance:	=	0		0		0		0		0		0		0
10	Board-approved PILs tax	+/-					0						0		0
12	proxy from Decisions (1) PILs proxy from April 1,		-				0		. 0		0		0		0
13	2005 - input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2) True-up Variance	+/-	-												0
15	Adjustment (3)	<del>-</del> /-											-14,523		-14,523
	Deferral Account Variance		1												
16	Adjustment Q4, 2001 (4)	. /	-												0
17	Deferral Account Variance Adjustment (5)	+/-											1		1
-17	Adjustments to reported	+/-	-							-		_			
18	prior years' variances (6)		_												0
19	Carrying charges (7)	+/-													0
	PILs billed to (collected	-	-							_		_			-
20 21	from) customers (8)		0		1				1						0
21	Ending balance: # 1562		0		0		0		0		0		-14,522		-14,522
23												-		-	
24															
25 26	Uncollected PILs														
27															
28 29	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31 32 33 34 35 36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
33	1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
35	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.														
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.														
39	<ul> <li>(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.</li> <li>(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.</li> </ul>														
38 39 40 41	(v) Column R - The 2002 Fills tax proxy will used for the period from January 1 to April 30, 2006.														
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 1132, 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 reconcilation.														
43 44 45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 1132, 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															
49 50	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52 53 54 55	The true-up will compare														
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.														
56 57	<ul> <li>(7) Carrying charges are calculated on a simple interest basis.</li> <li>(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</li> </ul>														
58 59					,				U		0				
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.														
63	(ii) Collections should equal	: (a) th	e actual volume	s/ lo	ad (kWhs, kWs	, Kva	) for the period	incl	uding net unbille	ed at	t period end), m	ultipli	ed		
61 62 63 64 65 67 68 70	by the PILs volumetric pr	oxy rat	tes by class (fro	m th	e Q4, 2001and	2002	RAM workshee	ts) f	or 2002, 2003 a						
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
67 68	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
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														
71 72 73 74 75 76 77	to calculate the recovery for the period January 1 to March 31, 2005.														
74	(9) Any interim PILs recovery fr	om Bo	ard Decisions w	ill be	e recorded in AF	PH A	ccount # 1590.	Fina	al reconciliation	of Pl	Ls proxy taxes				
75	vill have to include amounts from 1562 and from 1590.														
76															