

1 Greendale Drive, Caledonia, ON, N3W 2J3 Tel: (905) 765-5344 Fax: (905) 765-5316

June 25, 2012

Delivered By Courier and RESS

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

Attention: Kirsten Walli

Board Secretary

Re: Haldimand County Hydro Inc.

Application for the Disposition of Account 1562 Deferred Payments in Lieu

of Taxes (EB-2012-0027) Responses to Interrogatories

Dear Ms. Walli:

Haldimand County Hydro Inc. filed a stand-alone application with the Ontario Energy Board (the "Board") on January 27, 2012 seeking approval for the disposition of account 1562 deferred payments in lieu of taxes ("PILs") to be effective May 1, 2012.

Pursuant to the *Notice of Application and Procedural Order No. 1* issued May 7, 2012, Board Staff filed interrogatories on June 4, 2012. Haldimand County Hydro was required to file responses by June 21, 2012. By letter dated June 21, 2012, Haldimand County Hydro informed the Board that it would be delayed in filing its responses to these interrogatories, but by no later than June 26, 2012.

Two hard copies of Haldimand County Hydro's complete responses to the Board Staff interrogatories are now enclosed. An electronic copy in PDF format, as well as the Excel SIMPIL models and Account 1562 Deferred PILs Continuity Schedule were submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

In addition, an electronic copy in PDF format was forwarded via email to the Vulnerable Energy Consumers Coalition ("VECC"), the only intervenor of record.

All of which is respectfully submitted for the Board's consideration.

Yours truly, HALDIMAND COUNTY HYDRO INC.

Original signed by

Jacqueline A. Scott Finance Manager

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Haldimand County Hydro Inc. Disposition of Account 1562 Deferred Payments in Lieu of Taxes (EB-2012-0027)

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Reference: Board Decisions
RP-2001-0012/ EB-2001-0070 – Interim Decision with Reasons and Order

- 1. On December 20, 2001 the Board approved interim unbundled rates effective January 1, 2002. These unbundled rates did not include PILs.
 - a) Did Haldimand invoice any customers using these interim unbundled rates in 2002?

Response

Haldimand County Hydro implemented the rates approved in EB-2001-0070 on March 1, 2002. Customers were invoiced on a pro-rated basis commencing March 1, 2002; that is, except for the new General Service 50 to 4,999 kW rate class, where customers were invoiced on their first bill dated on or after March 1, 2002.

b) What rates were in effect as of April 30, 2002 that Haldimand used to bill its customers from January 1, 2002? Please provide that rate schedule and the Board's decision.

Response

Haldimand County Hydro Inc. was incorporated in 2000 and as a result of municipal restructuring (Bill 25), represents the amalgamated operations of the hydro-electric commissions of the former municipalities of Haldimand and Dunnville and divided City of Nanticoke. For the period of January 1, 2002 to February 28, 2002 inclusive, the rate schedules of the former hydro-electric commissions were in effect. These rates were in accordance with the Standard Application of Rates and amendments thereto as approved by the former Ontario Hydro (i.e. no "Board Decision"), as follows:

- Haldimand Hydro-Electric Commission February 1, 1999;
- Dunnville Hydro-Electric Commission January 1, 1999; and
- Nanticoke Hydro-Electric Commission April 1, 1999.

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For the period of March 1, 2002 to April 30, 2002 inclusive, the rate schedule approved by the Board in EB-2001-0070 was in effect. As indicated by Board Staff in item 1 above, these unbundled rates did not include PILs. A copy of the Board's Decision and Rate Order, dated December 20, 2001 (EB-2001-0070) is attached as *Appendix A*.

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Reference: PDF pages 114-125 RP-2002-0082/ EB-2002-0091 - Interim Decision and Order

- 2. On June 12, 2002 the Board declared Haldimand's rates interim as of April 1, 2002. On the rate schedule on PDF page 122 in handwriting, it indicates "Effective June 1, 2002 (no pro-rating)" and "Intervals effective date of May 1, 2002".
 - a) When did Haldimand issue the first invoice to interval customers using these unbundled rates?

Response

Haldimand County Hydro issued the first invoice to interval customers using these unbundled rates on bills dated July 18, 2002 which represented the consumption read period for the month of May 2002.

b) When did Haldimand issue the first invoice to non-interval customers using these unbundled rates?

Response

Haldimand County Hydro issued the first invoice to non-interval customers using these unbundled rates commencing with bills dated June 28, 2002 which represented the first full 30-day consumption read period commencing after May 1, 2002.

c) Please provide the Board decision that approved these dates of May 1 and June 1, 2002.

Response

Haldimand County Hydro filed a letter, dated March 14, 2002, asking the Board for a contingency rate arrangement with respect to its rates for the distribution of electricity as a result of not being capable of billing fully unbundled rates by the market opening, May 1, 2002. On April 30, 2002, the Board issued Decision and Order (EB-2002-0301) "Contingency Rate Arrangements" a copy of which is attached as *Appendix B*. In its Decision, the Board authorized Haldimand County Hydro to continue to charge the rates which were in effect on an interim basis (EB-2001-0070) as of April 30, 2002, until the date established by notification to the Board that the utility is capable of generating the fully unbundled rates or August 1, 2002, whichever is earlier.

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Accordingly, there was no Board decision approving the dates of May 1 and June 1, 2002. These billing dates coincided with when Haldimand County Hydro became capable of billing fully unbundled rates. Respectfully, the Board's Decision was dated June 12, 2002; that is, subsequent to the rate effective date of April 1, 2002.

d) Please provide the Board decision that approved Haldimand's rates on a final basis.

Response

The Board filed a letter, dated January 14, 2003, with Haldimand County Hydro (EB-2002-0091), a copy of which is attached as *Appendix C*. This letter states:

"As a result of the passage of Bill 210 on December 9, 2002, if an interim order under section 78 was in effect on November 11, 2002, the order shall be deemed to be a final order...Therefore the rates approved as "Interim" on June 12, 2002 are now considered final."

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Reference: PDF pages 126-137 RP-2002-0082/ EB-2002-0301 - Decision and Order – Dated April 30, 2002

- 3. Haldimand could not bill using unbundled rates including PILs with effect from May 1, 2002. The Board approved Haldimand using the rates in effect as of April 30, 2002 until a date no later than August 1, 2002. The Board instructed Haldimand to notify the Board in advance of the date when it was able to bill its customers using the unbundled rates which included PILs.
 - a) Please provide the correspondence that Haldimand filed with the Board which indicated when Haldimand would have started billing its customers with unbundled rates including PILs.

Response

Haldimand County Hydro informed the Board, by letter dated June 21, 2002, a copy of which is attached as *Appendix D*. Our letter states that "...we are able to provide a fully unbundled Standard Supply Service bill."

b) Please provide the customer notice that Haldimand sent to its customers indicating that the contingency rate arrangement was discontinued as required by the Board decision.

Response

Customer notice was provided by way of Haldimand County Hydro's rate card "Distribution Rates effective April 1, 2002", a copy of which is attached as *Appendix E*. This rate card was included with the first unbundled bills to customers as indicated in response to interrogatory # 2.

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Reference: Haldimand Continuity Schedule Account 1562 20120127.XLS

4. Haldimand has recalculated a theoretical balance in account 1562 that did not exist in its general ledger for the period ended April 30, 2006.

Response

This statement is not accurate. Other than adjustments to the principal balance as a result of revised SIMPIL models and corresponding adjustments to carrying charges, the actual (i.e. not theoretical) balance in Account 1562 did exist in its general ledger for the period ended April 30, 2006 – as reported both in Haldimand County Hydro's annual SIMPIL models reconciliations and RRR fillings.

As noted at page 4 of the Manager's Summary accompanying this application, "The ending balance now reported as at December 31, 2010 and the RRR filing differ in the amount of \$7,658 and this reflects adjustments to the principal balance as a result of revised SIMPIL models and corresponding adjustments to the carrying charges."

a) Please explain why Haldimand believes that it should record the 2001 and 2002 PILs proxies in the continuity schedule prior to June 1, 2002.

Response

Haldimand County Hydro has followed the Board's direction regarding amounts reported in account 1562 and, in particular, recording the 2001 and 2002 PILs proxy amounts in the continuity schedule prior to June 1, 2002. The Board's Accounting Procedures Handbook, Article 220 "1562 Deferred Payments in Lieu of Taxes" states:

"A. This account shall record the amount resulting from the Board approved PILs methodology for determining the 2001 Deferral Account Allowance and the PILs proxy amount determined for 2002 and subsequent years. The amount determined using the Board approved PILs methodology will be recorded equally over the applicable PILs period. The 2001 PILs Deferral Account Allowance should be recorded in three equal installments in October, November and December for utilities with a December 31, 2001 taxation year end. For a full year each applicable proxy will be divided by 12, and a monthly amount should be posted for each applicable period.

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C. The distributor shall use, on a consistent basis, one of the three accounting methods approved for recording entries in this account in accordance with the Board's accounting instructions for PILs as set out in the April 2003 issued Frequently Asked Questions on the APHandbook."

As reported in the annual SIMPIL models, Haldimand County Hydro consistently used Alternative 1.

Haldimand incurred the 2001 PILS tax amount of \$334,927 as a result of it becoming a taxable entity on October 1, 2001. These amounts need to be recovered from rate payers. Hence, the amounts were included in the Account 1562 balance as a debit during the 2001 year, accrued in 3 equal monthly installments of \$111,642 commencing October 2001. Similarly, for the 2002 PILs tax amount, Haldimand County Hydro incurred this tax liability for the 2002 year and is required to include this amount of \$1,096,347 in 12 equal monthly installments of \$91,362 commencing January 2002 in Account 1562 in order that the 2002 PILS proxy amount can be recovered through the rate adjustments.

b) Haldimand has shown no PILs recoveries in May 2002. Please explain why only partial recoveries are shown starting in June 2002.

Response

The Board's Accounting Procedures Handbook, Article 220 "1562 Deferred Payments in Lieu of Taxes" further states:

"E. Any amounts included rates [sic.] shall be debited/credited back to this account at the time of billing or other account specified by the Board."

As noted in IRR #2, unbundled rates effective April 1, 2002 (EB-2002-0091) which included PILs were not implemented until June 2002, commencing with bills dated June 28, 2002. PILs amounts included in these rates were credited back to account 1562 at the time of billing. This is consistent with issue 5 (page 9) of the Settlement Agreement with respect to the Combined PILs Proceeding (EB-2008-0381), which states:

"The Board's methodology is set out in the Board's April 2003 FAQ #2. In that FAQ it is noted that at the end of each month, the utility should make an entry crediting the portion of monthly billing that represents the recovery of PILs."

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Reference: 2001 - 2005 SIMPIL Models

5. Tax Rates

Haldimand has stated that it used the actual legislated tax rates.

 a) Please provide the references from the applicable federal and Ontario legislation that discloses the income tax rates used by Haldimand in the SIMPIL models.

Response

You have asked for references to applicable Federal and Ontario legislation for tax rates. Haldimand County Hydro has not provided these as we have used the "TAXRATES" worksheets contained in the SIMPIL models.

b) The Board in its decision EB-2008-0381 on page 17 provided two tables of income tax rates. Does Haldimand agree that one of these tables applies to its tax situation? If yes, please state which table applies.

Response

Haldimand County Hydro agrees that one of the two tables applies to its tax situation; specifically, the first table "Maximum Income Tax Rates in Percentages".

c) Haldimand has not calculated the grossed-up tax impact by deducting the federal surtax expressed as 1.12% from the income tax rate that includes the surtax. Please explain why Haldimand has not complied with the Board's decision.

Response

Haldimand County Hydro has deducted the surtax in some instances and not in others. The explanation for the rates used is provided in Table 1 below. This table only explains the tax rates used by Haldimand County Hydro and which differ from the tax rates used by the Board Staff in the SIMPIL models.

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Table 1: Tax Rates Used in the SIMPIL Models

Tax Rates Used	Haldimand County Hydro	Board Staff	Correct Rate	
	0= =0			(-)
2002 "TAXCALC" - Line 122 (1)	37.50	38.62	37.50	(5)
2003 "TAXCALC" - Line 122 (2)	35.50	36.62	35.50	(5)
2004 "TAXCALC" - Line 130 and 175 (3)	36.12	35.00	36.12	(6)
2005 "TAXCALC" - Line 130 and 175 (4)	36.12	35.00	36.12	(6)
Applicable Rates	2002	2003	2004	2005
Base Rate for SIMPIL model	38.62	36.62	36.12	36.12
Less: Surtax	(1.12)	(1.12)	(1.12)	(1.12)
	37.50	35.50	35.00	35.00
Notes - Explanation for Differences				
(1) Line 122 states that the surtax to be ex		-1.07.500/		

- (2) Line 122 states that the surtax to be excluded used 35.50%.
- (3) Line 130 and 175 state that surtax to be included used 36.12%.
- (4) SIMPIL Model was silent on the surtax treatment; therefore, followed the previous year's approach used 36.12% to include surtax.
- (5) This is correct rate to use. Any surtax would be credited to the LCT which would eliminate the cost.
- (6) This rate is correct. Surtax is applicable for these years as there was no LCT available to eliminate the surtax.

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6. Regulatory Assets, Regulatory Liabilities and PILs Recoveries from Customers

Preamble

Haldimand has applied to recover a PILs receivable from its ratepayers of \$1,008,852. This debit balance has been created by Haldimand principally by making two choices:

- a) by recording the changes in its regulatory assets and liabilities on SIMPIL model sheets TAXREC or TAXREC2 for 2002-2005 instead of TAXREC3; and.
- b) by recording PILs proxy amounts starting October 1, 2001 even though its rates that included PILs were not implemented until after May 31, 2002.

Changes in the balances of regulatory assets and liabilities have been shown in Haldimand's tax returns on T2 Schedule 1. These amounts related to regulatory assets and liabilities increase taxable income when shown as additions and decrease taxable income when shown as deductions. Haldimand has shown the changes in the balances of its regulatory assets and liabilities in either TAXREC or TAXREC 2 and these amounts create true-ups to ratepayers.

In EB-2008-0381, and in all other PILs 1562 disposition applications, the applicants have input the changes in regulatory assets and liabilities in sheet TAXREC3 in order to comply with the Board's Decisions that these amounts should not true-up to ratepayers since the distributors recovered the balances over a five year period from 2004 through 2008. This is part of the incomplete cycle problem related to the April 30, 2006 cut-off date and the change in the PILs methodology at that time.

a) Please explain why the Board's decision to exclude changes in regulatory assets and liabilities, both when created and recovered, in the determination of the balance of account 1562 should not apply in Haldimand's case? Please explain fully and provide the regulatory references to support the position taken to include or to exclude these variances from truing up to ratepayers.

Response

You have asked us to explain why Haldimand County Hydro did not exclude changes in regulatory assets and liabilities from taxable income for purposes of calculating the PILS addition to Account 1562. This statement is incorrect. Haldimand County Hydro has excluded the changes in regulatory assets and liabilities for purposes of

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determining the balance of Account 1562.

Haldimand County Hydro's accounting treatment, which is in accordance with the generally accepted accounting principles for regulated enterprises, requires that regulatory assets be included in income. Accordingly, the starting point for our calculations is accounting income for regulatory purposes. Each year this accounting income includes the change in regulatory assets and liabilities. In order to exclude the regulatory assets from income for purposes of calculating the addition to Account 1562, it is necessary to deduct these amounts to arrive at the taxable income base for purposes of applying the PILS calculations.

In order to make this deduction, it was necessary to include the regulatory assets and liabilities on the "Tax Rec" worksheet and then have it carry forward to the "TAXCALC" worksheet as a true-up adjustment. The effect of this was to remove the regulatory assets from the taxable income for purposes of the PILS calculation in Account 1562.

In the case of a regulatory asset, the adjustments that Haldimand County Hydro has undertaken have resulted in a decrease (i.e. a credit) to the Account 1562 asset balance.

Table 2 below illustrates the impact of the adjustments Haldimand County Hydro made to exclude changes in regulatory asset balances from income for purposes of the Account 1562 calculation. In this specific example, we have eliminated all other changes in order that the calculation could focus on the impact of our removal of changes to regulatory assets on Account 1562.

We have used this approach consistently since the introduction of the Account 1562 deferred PILs. The original Board guidelines to the SIMPIL models issued sometime prior to 2005 stated that "true-up adjustments include regulatory additions and deductions". It was this guideline that Haldimand County Hydro used to determine its initial approach to the annual changes in regulatory assets and liabilities.

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Table 2: Process Used to True-Up Account 1562 Example Calculation

	I	Initial	Act	ual per
	Es	stimate	Tax	Return
Accounting income per financial statements	\$	1,000	\$	1,000
Regulatory Adjustments		0		(600)
Taxable income		1,000		400
PILs (at 35%)	\$	350	\$	140
Rate adjustment needed to recover tax (\$400 / (1 - 0.35))	\$	538	\$	215
Tate adjustment needed to recover tax (\$\pi +007 (1 0.00))	Ψ	330	Ψ	210
Adjustment Process				
Included in the \$1,000 actual income is \$600 of income coassets were included in income and shown as an asset. The Board requires that regulatory assets be excluded fro purposes of determining the balance in Account 1562 defe	m inc	ome whe		
purposes of determining the balance in Account 1562 defe	errea	PILS.		
Calculation				
<u>True-up Variance:</u>				
Regulatory asset - initial estimate	\$	-		
Regulatory asset - final amount		600		
True-up adjustment		600		
PILs (at 35%)	\$	210		
Decrease in rate recovery (\$210 / (1 - 0.35))	\$	323		
Adjusted Account 1562				
Initial addition to Account 1562	\$	538		
True-up adjustment (1)		(323)		
Revised Account 1562 balance	\$	215		
Note (1): Must be on the "TAXREC" worksheet in order for this adjustme worksheet in the SIMPIL Model	nt to c	arry to the "	TAXCA	ALC"
Result				
There is no Account 1562 addition for regulatory assets in income.	clude	ed in acco	ountir	ng

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Haldimand County Hydro also believes that its approach is consistent with issue 4 (page 8) of the Settlement Agreement with respect to the Combined PILs Proceeding (EB-2008-0381), which states:

"A PILs or tax provision is not needed for the recovery of deferred regulatory asset costs, because the distributors have deducted, or will have deducted, or will deduct, these costs in calculating taxable income in their tax returns."

Haldimand County Hydro removed regulatory assets in arriving at the base taxable income for purposes of the PILS calculations.

Accordingly, Haldimand County Hydro believes that it has fully complied with the Board's guidelines with respect to changes in regulatory assets as they relate to the disposition of account 1562 deferred PILS applications.

If the Board takes the position that the regulatory assets should not be trued-up for each of the years 2002 through 2005, than Haldimand County Hydro requires a further adjustment. Each of the SIMPIL models for 2002 through 2005 in the "TAXCALC" worksheet includes: (i) an addition to taxable income in the amount of \$214,577, and (ii) a deduction from taxable income in the amount of \$34,503. Both of these amounts are "transition cost" regulatory adjustments. When regulatory assets were trued-up for tax purposes, these amounts were shown as the amounts in the initial estimate of regulatory assets. It is then necessary to remove these amounts from the true-up calculations, and the removal must apply for all years from 2002 through 2005 inclusive.

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7. Gains and Losses on Disposals of Fixed Assets

Haldimand included its fixed assets in the calculation of rate base for the 2000 - 2001 application. The Board approved the rate base for use in the determination of distribution rates. Haldimand continued to receive the return on these assets from ratepayers even though it may have disposed of assets during the period 2002 through 2005.

a) Please explain why the variances caused by disposals of fixed assets that Haldimand input on sheets TAXREC and TAXREC2 should true up to ratepayers.

Response

In the original SIMPIL Model provided at the time of the preparation of the 2001 through 2005 calculations, the loss on disposal of fixed assets, capital items expensed and other items related to fixed assets were included in the "TAXREC2" (previously referred to as "TAXREC") worksheet. This automatically linked them to the "TAXCALC" worksheet and caused these variances to be trued-up. This was in accordance with the model instructions and Board guidelines at the time.

Subsequent to Haldimand County Hydro's annual SIMPIL Model filings, the Board introduced "TAXREC3" to report asset items without true-up. "TAXREC3" includes losses on disposal of assets and capital items expensed, and these amounts do not true-up to ratepayers.

Haldimand County Hydro continued to follow the original guidelines and has no opinion on the need to true-up losses on the disposal of fixed assets or capital items expensed.

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8. 2002 SIMPIL

Haldimand has input an addition of \$60,818 related to capital items expensed on sheet TAXREC2. This amount trues up to ratepayers. Reclassification of depreciation, any items related to CCA and many other book-to-tax adjustments do not true up to ratepayers under the PILs methodology and should be shown on TAXREC3.

a) Please describe what the amount relates to and why it should true up to ratepayers.

Response Refer to IRR #7.

Reference: 2001 to 2005 SIMPIL Models, Interest Expense for Tax Years 2001 to 2005

9. For the tax years 2001 to 2005:

a) Please provide a table for the years 2001 to 2005 that shows all of the components of Haldimand's interest expense and the amount associated with each type of interest.

Response

Table 3: Components of Interest Expense 2001 to 2005

Type of Interest	Q4 2001	2002	2003	2004	2005
Long-Term Debt Interest	\$246,007	\$1,031,310	\$ 996,225	\$ 939,216	\$895,791
Deferred Financing Costs - Debenture Issue Costs	\$ 2,426	9,706	9,706	9,706	9,706
Customer Deposit Interest (Refunds)	(1,005)	(4,411)	2,686	7,377	14,713
GST Penalty / Interest		3,034			
Vendor Interest				30	20
Corporate Income Tax Interest				8,005	2,030
Bill 210 / MPMA Interest Paid to Customers			22,354	130	
MPMA Interest Paid to IESO - Form 1556-Return of Funds				5,714	
IESO Prudential Interest		16,736	16,813	16,813	16,813
Bank Service Charges	5,663	24,069	22,458	32,086	29,153
Total	\$253,091	\$1,080,444	\$1,070,242	\$1,019,077	\$968,226

b) Did Haldimand have interest expense related to other than debt that is disclosed as interest expense in its financial statements?

Response

Yes – refer to Table 3 in (a) above.

c) Did Haldimand net interest income against interest expense in deriving the amount it shows as interest expense? If yes, please provide details to what the interest income relates.

Response

No - refer to Table 3 in (a) above.

d) Did Haldimand include interest expense on customer security deposits in interest expense?

Response

Yes - refer to Table 3 in (a) above.

e) Did Haldimand include interest income on customer security deposits in interest expense?

Response

No - refer to Table 3 in (a) above.

e) Did Haldimand include interest expense on IESO prudentials in interest expense?

Response

Yes - refer to Table 3 in (a) above.

f) Did Haldimand include interest carrying charges on regulatory assets or liabilities in interest expense?

Response

No - refer to Table 3 in (a) above.

h) Did Haldimand include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?

Response

Yes - refer to Table 3 in (a) above.

i) Did Haldimand deduct capitalized interest in deriving the interest expense disclosed in its financial statements?

Response

No - refer to Table 3 in (a) above.

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10. Board Staff's Calculations of the Balance in Account 1562 PILs

Board staff has calculated a **credit** of \$873,986 as Haldimand's account 1562 balance as at April 30, 2012 to be refunded to customers. Should the answers to the interest interrogatories shown above change the interest true-up amounts, these variances would have to be factored into the final balance of account 1562. Board staff used the Excel models filed by Haldimand and made the following changes.

- a) Changes in regulatory assets and liabilities have been input on SIMPIL sheet TAXREC3 for 2001-2005 to comply with the Board's decisions in other cases.
- b) Gains and losses on sales/ disposals of fixed assets have been input on sheet TAXREC3 to comply with the Board's decisions in other cases.
- c) Income tax rates to calculate the tax impact and the grossed-up tax amount were taken from the Board's decision EB-2008-0381, page 17 as follow.

TAX RATES USED IN SIMPIL SHEET TAXCALC FOR TRUE-UPS								
		2001	2002	2003	2004	2005		
DECISION	From page 17 of the Decision: Tax rate to calculate the tax impact TAXCALC cells E122, E138	40.62%	38.62%	36.62%	36.12%	36.12%		
	Tax rate to calculate the grossed-up tax amount TAXCALC cells E130, E175	39.50%	37.50%	35.50%	35.00%	35.00%		
	Cell E122 (123): Calculation of true-up variance - tax impact	40.62%	37.50%	35.50%	36.12%	36.12%		
HALDIMAND	Cell E130 (131): Income tax rate used for gross-up (excluding surtax)	39.50%	37.50%	35.50%	36.12%	36.12%		
SHEET TAXCALC AS FILED	Cell E138 (139): Calculation of Deferral Account Variance tax impact caused by changes in legislation	40.62%	38.62%	36.62%	36.12%	36.12%		
	Cell E175 (176): Calculation of Deferral Account Variance for gross-up (excluding surtax)	39.50%	37.50%	35.50%	36.12%	36.12%		

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d) PILs proxies were input in the continuity schedule starting June 1, 2002. Based on the evidence filed by Haldimand, June 1st may be too early.

Board staff has provided the models used to calculate the credit balance of \$873,986 to assist Haldimand in formulating its responses to Board staff's interrogatories.

Board staff invites Haldimand to explain why it should not make these changes in its evidence to comply with existing Board decisions.

If Haldimand agrees that Board staff's calculations are correct and comply with Board's various decisions, Board staff requests that Haldimand re-files as its own evidence the active Excel models for 2001-2005 SIMPILs and the continuity schedule.

Response

Haldimand County Hydro does not agree with Board Staff's calculations of a credit of \$873,986 account 1562 balance as at April 30, 2012 to be refunded to customers.

Based on the explanations contained within these interrogatory responses and its revised SIMPIL models and Account 1562 Continuity Schedule, Haldimand County Hydro continues to request disposition of a debit balance in account 1562, in the amount of \$528,407 calculated to August 31, 2012 due from customers, as summarized in Table 4 below.

Table 4: Account 1562 Continuity Schedule

Principal	Interest								
Closing Dec. 31, 2006	Opening Jan. 1, 2006	Actual Annual 2006	Actual Annual 2007	Actual Annual 2008	Actual Annual 2009	Actual Annual 2010	Actual Annual 2011	Projected to August 31, 2012	
\$291,759	\$179,954	\$18,496	\$13,793	\$11,612	\$3,318	\$2,327	\$4,289	\$2,859	\$528,407

Revised 2001 to 2005 inclusive SIMPIL models are attached as *Appendix F*, and revised Account 1562 Continuity Schedule is attached as *Appendix G*.

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The following summarizes Haldimand County Hydro's calculations of the balance in Account 1562 Deferred PILs:

- a) Haldimand County Hydro does not believe that its responses to the interest interrogatories – refer to IRR #9 – change the interest true-up amounts; accordingly, no adjustments have been made.
- b) Further to IRR #6, and if the Board takes the position that Haldimand County Hydro has not complied with its Decisions, changes in regulatory assets and liabilities have been input onto the TAXREC3 worksheet of the SIMPIL models as provided for in the Board Staff's versions. However, in addition, Haldimand County Hydro has removed the true-up effect of the "initial estimate" regulatory adjustments on account of transition costs an addition of \$214,577 and a deduction of \$34,503 by correcting the allocation of these on the TAXCALC worksheet of the SIMPIL models for 2002 to 2005 inclusive. This removes a net credit true-up variance amount of \$180,074 less the income tax effect for each of 4 years. These adjustments effect the carrying charge calculations as well.
- c) Further to IRR #7, gains and losses on disposals of capital assets and capital items expensed have been input onto the TAXREC3 worksheet of the SIMPIL models as provided for in the Board Staff's versions.
- d) Further to IRR #5, income tax rates to calculate the tax impact and the grossed-up tax amount were taken from the Board's Decision.
- e) Further to IRR #4, Haldimand County Hydro continues to believe that it followed the Board's guidelines, including its Decision, recording the 2001 Deferred and 2002 PILs Proxy amounts in equal monthly installments commencing in October 2001 and January 2002 respectively; that is, prior to June 1, 2002 as is proposed by the Board Staff. The Account 1562 Continuity Schedule continues to report these earlier start dates.
- f) In its original application filed on September 30, 2011 in conjunction with the 2012 IRM rate application and re-submitted as a stand-alone application filed on January 27, 2012,

Board Staff Interrogatory Responses Filed: June 25, 2012

Page 21 of 21

Haldimand County Hydro was requesting disposition of Account 1562 over a one year rate period effective May 1, 2012; and as such, carrying charges were only projected to April 30, 2012. As that date has now passed, carrying charges have now been projected to August 31, 2012.

Haldimand County Hydro is now seeking to recover the account balance over 8 months commencing September 1, 2012 and believes that the rate riders continue to be appropriate, as summarized in Table 5 below. The account balance is being allocated to customer classes on the basis of approved test year distribution revenue as per Haldimand County Hydro's cost of service rate application (EB-2009-0265), pro-rated for 8 months (i.e. September 1, 2012 to April 30, 2013).

Table 5: Allocation of Account 1562 Balance and Proposed Rate Riders over an 8-Month Period

Rate Class	Allocator (2010 Distribution	Allocation %		ocation of Account 1562	Billing Determinant (2010			Propo Rate R	
	Revenue)		Balance		` -	Approved Forecast)			
					kWh	kW		\$	per
					(8 months)	(8 months)		(8 mon	ths)
Residential	\$ 8,461,082	67.8%	\$	358,405	114,624,275		\$	0.0031	kWh
General Service Less Than 50 kW	\$ 2,057,572	16.5%	\$	87,157	41,201,279		\$	0.0021	kWh
General Service 50 kW to 4999 kW	\$ 1,664,038	13.3%	\$	70,487	73,354,480	198,765	\$	0.3546	kW
Unmetered Scattered Load	\$ 21,999	0.2%	\$	932	321,509		\$	0.0029	kWh
Sentinel Lighting	\$ 73,999	0.6%	\$	3,135	279,285	778	\$	4.0290	kW
Street Lighting	\$ 195,717	1.6%	\$	8,290	1,552,505	4,317	\$	1.9206	kW
	\$ 12,474,407	100.0%	\$	528,407	231,333,333	203,860			

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX A

APPENDIX A

Haldimand County Hydro Inc.
Interim Decisions with Reasons and Order
EB-2001-0070

(Schedule of Monthly Rates and Charges effective January 1, 2002)

Ontario Energy
Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie de l'Ontario C.P. 2319 26e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone; 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

December 20, 2001

Mr. Michael R. Price President and CEO Haldimand County Hydro Inc. 1 Greendale Drive Caledonia, Ontario N3W 2J3

2001 Rate Application

Dear Mr. Price:

Re: Haldimand County Hydro Inc. - Electricity Rate Change

Board File No. RP-2001-0012/EB-2001-0070

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

Yours truly,

Peter H. O'Dell

Assistant Board Secretary

Encl.



RP-2001-0012 EB-2001-0070

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE:

Paul Vlahos

Vice Chair and Presiding Member

George Dominy

Vice Chair and Member

INTERIM DECISION WITH REASONS AND ORDER

Haldimand County Hydro Inc. ("the Applicant") serves the entire new Haldimand municipality, which was established when the former Haldimand-Norfolk county was restructured by Bill 25. Bill 25 combined the eastern part of the former City of Nanticoke with the former towns of Haldimand and Dunville to form the new municipality.

Under the direction of the Board, the Applicant published a Notice of Application and Notice of Written Hearing. There were no interventions.

The Applicant filed an application ("the Application") with the Ontario Energy Board ("the Board"), dated March 9, 2001 for an order or orders approving or fixing just and reasonable rates for the distribution of electricity. Supplemental evidence was filed on June 1, 2001.

The application sets out the Applicant's proposals for harmonizing and unbundling of rates and for incorporating a revenue requirement for distribution of electricity. The Applicant elected to use the maximum allowable Target Rate of Return on Common Equity of 9.88%. The first year incremental revenue is \$437,478, which is one third of the amount required to achieve the Target Rate of Return on Common Equity, exclusive of Payment in Lieu of Taxes ("PILS").

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

Board Findings

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

The Applicant did not propose to change the 5% late payment charge as part of this application. The Board directs the Applicant to revise this charge, in accordance with the current section 9.3.3 of the Rate Handbook, at the time it files its application for implementing new rates for March 1, 2002.

The Board notes that the Applicant will continue to receive Boundary Assistance pursuant to Regulation 315/99. The Board is unclear from the Applicant's evidence as to the proposed ratemaking associated with such financial assistance for the base year and for years following. The Board also notes that the Applicant proposed certain normalization in financial data for the 1999 base year. While the Board finds it expedient to accept for now the Applicant's proposed rates, the Board will schedule an oral hearing to further examine the reasonableness of the Applicant's proposals in the above matters, as well as any other matters that may arise from the Board's other rate setting activities.

The Applicant requested that its new rates be effective January 1, 2002, without retroactive bill adjustments. The Board accepts the Applicant's proposal.

THE BOARD ORDERS THAT:

1. The unbundled rates set out in Appendix "A" of this Order are hereby approved as interim rates with an implementation date of January 1, 2002.

DATED at Toronto, December 20, 2001.

ONTARIO ENERGY BOARD

Peter H. O'Dell

Assistant Board Secretary

APPENDIX "A"

RP-2001-0012 EB-2001-0070

December 20, 2001

ONTARIO ENERGY BOARD

Peter H. O'Dell Assistant Board Secretary

Haldimand County Hydro Inc. SCHEDULE OF MONTHLY RATES AND CHARGES January 1, 2002

* Effective March 1, 2002 (pro-rafed + except for "new" bill codes 35436)

RP-2001-0012
EB-2001-0070

Time periods for Time of Use (Eastern Standard Time):

Winter:

all hours, October 1 through March 31

Summer:

all hours, April 1 through September 30

Peak:

0700 to 2300 hours (local time) Monday to Friday inclusive, except for

public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (as in Toronto), Labour Day, Thanksgiving

Day, Christmas Day and Boxing Day.

Off-Peak:

all other hours

Residential Urban Service Monthly Service Charge Distribution Volumetric Rate Cost of Power	(per month) (per kWh) (per kWh)	\$ 8.43 \$ 0.0129 \$ 0.0751	0[(02(05(05]	D10 D15 D20 N10 N20 N40
Residential Suburban Service Monthly Service Charge Distribution Volumetric Rate Cost of Power	(per month) (per kWh) (per kWh)	\$ 9.68 \$ 0.0139 \$ 0.0758	052 054 055	D40 DB1 N4 N5 N60
General Service Urban Non-Time of Use (< 50 kW) Monthly Service Charge Distribution Volumetric Rate Cost of Power	(per month) (per kWh) (per kWh)	\$11.41 \$ 0.0117 \$ 0.0741	031	D30 N30 N65
Distribution Volumetric Rate	(W) (per month) (per kWh) (per kWh)	\$11.72 \$ 0.0109 \$ 0.0747	061	D50 D80 N70

	General Service Urban Non-Time of Use (> 5	0 kW)	•	A 7 C
	Monthly Service Charge	(per month)	\$21.67	035
	Distribution Volumetric Rate	(per kW)	\$ 3.55	
	Cost of Power	(per kW)	\$ 3.20	
	Cost of Power	(per kWh)	\$ 0.0622	
•	General Service Suburban Non-Time of Use	(> 50 kW)	A SECURITY OF THE PROPERTY OF	Monotoning pages programs and programs and the second
	Monthly Service Charge	(per month)	\$ 21.60	036
•	Distribution Volumetric Rate	(per kW)	\$ 3.54	
	Cost of Power	(per kW)	\$ 2.94	
	Cost of Power	(per kWh)	\$ 0.0624	
	General Service Time of Use (> 50 kW)	and the second		COLD ARE
	Monthly Service Charge	(per month)	\$ 7.97	(ON) (OFF
	Distribution Volumetric Rate	(per kW)	\$ 0.59	D62 / D63
		VI /	,	N82/ N83
	Cost of Power: Winter-Peak	(per kW)	\$ 11.82	
	Cost of Power: Summer-Peak	(per kW)	\$ 8.94	
	Cost of Power: Winter-Peak	(per kWh)	\$ 0.0728	
•	Cost of Power: Winter-Off-Peak	(per kWh)	\$ 0.0434	
	Cost of Power: Summer-Peak	(per kWh)	\$ 0.0614	
3	Cost of Power: Summer-Off-Peak	(per kWh)	\$ 0.0321	
	Street Lighting Non-Time of Use	والمستعمد المستعمد ال	Nichtenbergen, untersett i et samme et samme en stelle et samme stelle samme stelle samme. T	Market with the state of the selection o
	Monthly Service Charge	(per connection)	\$ 0.95	*
	Distribution Volumetric Rate	" (per kW)	\$ 1.4571	
	Cost of Power	(per kW)	\$ 23.84	
	Sentinel Lights Non-Time of Use	در است. در است در است در فران در است داد در است در است که در است در است در است در است در است در است است است است است است	المستقدم والمستقد والمستدان عقد المستقد المراسية والمراسية والمراسية والمستقد المستقد المستقد المستقد المنتقد الم	An external distances by some fundamental services and the services are the services and the services and the services and the services are the services and the services and the services are th
	Monthly Service Charge	(per connection)	\$ 1.09	
	Distribution Volumetric Rate	(per kW)	\$ 1.4555	
	Cost of Power	(per kW)	\$ 23.48	•
		(1-1-1-1)	Ŧ = 00	

Un-metered Scattered Loads (Excluding Street Lights)

All non-metered loads including billboards, traffic signals, bus kiosks, cable power supplies, and pay telephone booths, to be billed on an individual location basis under the General Service less than 50 kilowatt rate. Usage to be measured using kilowatts as estimated or determined by portable meters and kilowatt hours as determined by the number of hours per day of operation.

Transformer Ownership Allowance

60 cents per kW per month credit for customer owned transformers

Specific Service Charges

Customer Administration Account Set Up Charge Arrears Certificate	\$ 8.80 \$10.50
Non-payment of Account	
Late Payment *	5%
Returned Cheque Charge (includes Bank Charges)	\$ 13.00
Collection of Account Charge	\$ 9.00
Reconnection - during regular working hours	\$ 20.00
Reconnection after regular working hours	\$ 50.00

* Late Payment Policy

The company is currently considering changes to its late payment policy. Until such changes are reviewed, the existing policy will continue. The company will impose a one time charge on amounts in arrears equal to 5% of the amount in arrears. Customer payments are applied to the oldest outstanding amounts owing.

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX B

APPENDIX B

Haldimand Hydro-Electric Commission Contingency Rate Arrangements EB-2002-0301

(Decision and Order Dated April 30, 2002)

Ontario Energy
Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergle de l'Ontarlo C.P. 2319 26e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone; 416- 481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

April 30, 2002

Michael Price General Manager and Secretary Haldimand Hydro-Electric Commission 1 Greendale Drive Caledonia ON N3W-2J3 Inability to "unbundle" rates/bills @ May 1/02

Approval to continue With April, 2002 Rate Orden

Dear Mr. Price:

Re: Haldimand Hydro-Electric Commission

Contingency Rate Arrangements

Board File No. EB-2002-0301/RP-2002-0082

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

Yours truly,

Peter H. O'Dell

'Assistant Board Secretary

Encl.



IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE:

Paul Vlahos

Vice Chair and Presiding Member

Bob Betts Member

DECISION AND ORDER

On March 18, 2002 the Ontario Energy Board ("the Board") issued a letter to all licensed electricity distributors that set out the retail contingency rates framework for those distributors that anticipated not being capable of billing fully unbundled rates by the date of market opening, May 1, 2002.

Haldimand County Hydro Inc. ("the Applicant") filed a letter ("the letter" or "the Application"), dated March 14, 2002, asking the Board for the contingency rate arrangement with respect to its rates for the distribution of electricity, effective May 1, 2002.

A copy of the letter is available for review at the Board's offices.

On April 23, 2002, the Board issued a letter to all licensed electricity distributors regarding its understanding concerning the inability of distributors to pro-rate their bills in transitioning from the bundled to the unbundled cost of power. The Board indicated that it has commenced a proceeding upon its own motion to amend the rate orders of all distributors (EB-2002-0244).

Board Findings

The Board is satisfied that the Applicant is unlikely to be able to bill its customers using fully unbundled rates as of May 1, 2002. Therefore the Board accepts that the Applicant should be allowed to continue to charge its existing rates.

The Board notes that it is important that the fully unbundled rates be implemented as soon as possible after May 1, 2002, and that a deadline be set.

The Board also notes from the Board letter of April 23, 2002 that most distributors are unable to charge for two different sets of rates within a single billing cycle. The Board is prepared to allow the implementation of the unbundled bills in the same manner as was outlined in its letter of April 23, 2002 adjusted to the post May 1, 2002 implementation date.

The Board cautions that this Order does not relieve the Applicant of its obligation to comply with any legislative requirements or its licence, the Retail Settlement Code and the Standard Supply Service Code. The Applicant may still be subject to administrative penalties as determined by the Director of Licensing, or other compliance action by the Board itself.

THE BOARD ORDERS THAT:

- The Applicant's Rates and Charges approved by the Board in effect as of April 30, 2002 shall remain in effect until the date established by notification to the Board that the Applicant is capable of generating the fully unbundled rates or August 1, 2002 whichever is earlier ("the Expiry Date").
- 2. The Applicant shall notify the Board, in advance, of the date when it will introduce fully unbundled billings.
- Despite paragraph 1, the Applicant may, up to the first day of a customer's first billing cycle commencing after the Expiry Date, continue to charge customers the rates in effect on April 30, 2002.
- Paragraph 3 does not apply with respect to customers who have a MIST meter as defined in the Retail Settlement Code.
- 5. The Applicant shall notify its customers of the application of the contingency rate arrangement coincident with the issuance of the first bill following May 1, 2002.
- 6. The Applicant shall notify its customers of the discontinuance of the application of the contingency rate arrangement coincident with the issuance of the first bill following the date the Applicant is market ready.

7. The Applicant shall follow the accounting procedures, as set out in Appendix "A" of this Order during the period from May 1, 2002 until such time as the Applicant is no longer charging the rates in effect on April 30, 2002. The accounting procedures established in Article 490 of the Accounting Procedures Handbook will apply thereafter.

DATED at Toronto, April 30, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell

Assistant Board Secretary

Appendix "A"

RP-2002-0082 EB-2002-0301

April 30, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell Assistant Board Secretary

ACCOUNTING PROCEDURES AND GUIDELINES ON CALCULATING THE RETAIL SETTLEMENT VARIANCE ACCOUNT - CONTINGENCY BILLING ARRANGEMENTS FOR NOT MARKET READY DISTRIBUTORS

PURPOSE

This information sheet is for an electric distributor that is not bill ready upon market opening, May 1, 2002. Because this distributor will be continuing to charge its customers using a bundled cost of power but will be charged by the Independent Electricity Market Operator ("IMO") based on unbundled costs, it will have to calculate the variances between its bundled commodity sales and the unbundled IMO costs, using the same accounting guidelines and procedures found in Article 490.

CONTENT OF GUIDELINES

These guidelines contain the procedures and an example.

PART 1 - PROCEDURES

Step 1 will be to calculate the individual IMO costs (e.g. wholesale market service charges, wholesale market one-time charge, retail transmission network charges, retail transmission connection charges and energy/commodity costs - Weighted Average Hourly Spot Price ("WAHSP")).

Step 2 will be to "unbundle" the total bundled cost of power revenues into the total of each appropriate IMO cost components using the approved Other Regulated Rates with the residual amount allocated to the energy/commodity component.

Step 3 will match each of the unbundled revenue components with the unbundled IMO cost to calculate the individual retail settlement variances.

Details of these 3 steps are provided in this package.

To unbundle their bundled revenues, not market ready participants have to prepare some preliminary calculations in a supplementary spreadsheet. This calculation starts with the total unbundled energy billing for not market ready participants. From the total unbundled energy billing, each known component (wholesale market service revenue including Rural Rate Assistance ("RRA"), wholesale market one time revenue, retail transmission network revenue, retail transmission connection revenue, etc.) will be deducted to obtain the residual relating to the commodity revenue.

PART 1 - PROCEDURES

LEGEND:

C = Calculate

K = Known

U = Unknown

Using the spreadsheet in the Part 2 - Example, calculate the following to compute the variance for each revenue and expense items:

STEP	SUB- STEP	PROCEDURE	RATE	UNIT	TOTAL \$	CHECK
1		UNBUNDLE THE TOTAL (BUNDLED) REVENUE BILL				
	1.1	Take the total bundled revenue for the billing cycle.	U	Ų	К	
	1.2	Calculate the sum of the wholesale market service revenue (i.e. kWh usage x Board approved rate) and also the Rural Rate Assistance ((i.e. kWh usage x Board approved rate). This is the total wholesale market service revenue. Note: RRA is a passthrough.	К	. К	С	
	1.3	Calculate the total wholesale market one time revenue (refer to IMO bill)	К	К	С	
	1.4	Calculate the total retail transmission network revenue (i.e. kWh usage x Board approved rate)	К	К	С	(
	1.5	Calculate the total retail transmission connection revenue (i.e. kWh usage x Board approved rate)	К	K	С	
	1.6	Calculate the total distribution volumetric revenue (i.e. kWh usage x Board approved rate)	К	К	С	
	1.7	Calculate the total distribution monthly service revenue (i.e. customers x Board approved rate)	К	К	С	-
	1.8	Calculate the total distribution SSS administrative revenue (i.e. customers x Board approved rate)	К	К	С	
	1.9	Calculate the total DRC due (i.e. kWh usage x Board determined rate)	К	K	С	
	1.10	Add the total of steps 1.2 to 1.9 to get all the components of bundled revenue except the energy costs.	К	K	С	,
	1.11	Calculate the difference between Step 1.1 and 1.10 to obtain the total energy sales. THIS IS THE RESIDUAL.	К	К	С	
	1.12	As an independent check, add the totals of steps 1.10 and 1.11 to get the total of Step 1.1.	K	K	С	

STEP	SUB- STEP	PROCEDURE	RATE	TINU	TOTAL \$	CHECK
2		CALCULATE THE COMPONENTS OF THE UNBUNDLED IMO COSTS				
	2.1	Compute the total IMO wholesale service charges which includes the RRA charges [Wholesale service charges (kWh x IMO wholesale service charge/kwh) plus RRA charges (i.e. kWh usage x Board approved rate)]	К	К	С	
	2.2	Obtain the total IMO wholesale one-time charge. (Application fee)			К	<u>.</u>
	2.3	Compute the total IMO retail transmission network charges. (kWh x IMO retail transmission network charge/kWh)	К	К	С	
	2.4	Compute the total IMO retail transmission connection charges. (kWh x IMO retail transmission connection charge/kWh)	К	Κ.	С	
	2.5	Compute the total energy cost (kWh x WAHSP).	К	К	С	
	2.6	As an independent check, add totals of steps 2.1 through 2.5 and compare to IMO charge.			К	
3		CALCULATE THE RETAIL SETTLEMENT VARIANCES				
	3.1	Using the spreadsheet format, calculate the RSVA-WMS by subtracting the wholesale market services revenue from the IMO wholesale market service charges.	К	К	С	
	3.2	Calculate the RSVA- One Time by subtracting the wholesale market one time revenue if any, from the IMO wholesale market one time charge.	К	К	С	
	3.3	Calculate the RSVA- NW by subtracting the retail transmission network revenue from the IMO retail transmission network charge.	К	К	С	
	3.4	Calculate the RSVA- CN by subtracting the retail transmission connection revenue from the IMO retail transmission connection charge.	К	К	C C	
	3.5	Calculate the RSVA- Power by subtracting the total energy sales from the IMO energy costs.	К	К	С	
	3.6	As an independent check, compare the total of the totals in steps 3.1 through 3.5 to the difference between the total revenue bill for the period and the total IMO charge for the period.			С	

PART 2 - ILLUSTRATIVE EXAMPLE

The example uses the given data in Article 490, pages 20 and 21. The Debt Retirement Charge ("DRC"), as well as the Rural Rate Assistance ("RRA") which is incorporated in the Wholesale Market Service, have been added as the bundled bill is deemed to include these two upon market opening. The Power Purchase Variance account ("PPVA") was excluded as it would not be applicable to a utility that did not have an unbundled bill (i.e. no distinction between default and retail customers, only one category of customers).

ASSUMPTIONS (Refer to Article 490 detailed accounting example):

- 1. All distributors have energy only meters. Line losses are nil.
- 2. There are 20,000 customers in the distributor's franchise area. One half of these customers are on default supply and consume one half of the total energy usage
- 3. The period covered by the billing period coincides with that of the settlement invoice and IMO charged usage is equal to the customer metered usage.

GIVEN:

TYPE OF ITEM	UNIT OF MEASURE	UNIT COST	BOARD APPROVED RATES	TOTAL UNITS	TOTAL
IMO UNBUNDLED BILL/INVOICE: Wholesale market service charges Wholesale market one-time charge Retail transmission network charges Retail transmission connection charges Energy costs - WAHSP	Per kWh Application fee Per kWh Per kWh Per kWh	\$.0096** \$.012** \$.0095** \$.024**		13,500,000** 13,500,000** 13,500,000** 13,500,000**	\$129,600** \$ 50,000** \$162,000** \$128,250** \$324,000**
TOTAL					\$793,850
BUNDLED ENERGY BILLING Energy consumption(kWh) for the month				13,500,000**	\$1,138,050 ^A
Approved Board Rates: Wholesale market service charges Wholesale market one-time charge Retail transmission network charges Retail transmission connection charges Distribution volumetric charge Distribution monthly service charge SSS Administration Charge	Per kWh Per kWh Per kWh Per kWh Per kWh Per month Per customer per month kWh		\$.0090*** N/A \$.0098*** \$.0105*** \$.0100*** \$10.00***	13,500,000** 13,500,000** 13,500,000** 13,500,000** 20,000**	Unknown* Unknown* Unknown* Unknown* Unknown* Unknown* Unknown* Unknown*
Energy Revenues	Per kWh Per kWh		\$.0070*** \$.0010***	13,500,000** 13,500,000**	Unknown* Unknown*
Debt Retirement Charge per kWh Rural Assistance Rate per kWh					(

CALCULATION OF THE VARIANCE BETWEEN THE BUNDLED ENERGY REVENUES AND UNBUNDLED IMO COSTS FOR NOT-MARKET READY PARTICIPANTS

																				U)										
																				ACCOUNT ACCOUNT NAME				BSVA -WMS	BSVA-One Time	Devive and	W-VAC	2000	HOVA-POWE	
																				CCOUNT				1580	283	1584	1586	200	900	
TOTAL BUNDLED REVENUE	(4)	050,881,1													044	1	737,000			•	ŧ									
SUB -TOTAL	(3=1x2)			135,000 A		132,300 C			135,000		200,000	•	2,500	94.500					TOTAL	IMO COSTS	(7=5x6))			143,100 F	50,000 G	162,000 H	128,250	324 000	000420	807,350
-			121,500	13,500											1								129,600	13,500						1
UNITS	Œ		13,500,000	13,500,000	•	13,500,000	13,500,000		13,500,000		20,000		10,000	13,500,000						UNITS	(6)		13500000	13500000	j	13500000	13500000	13500000		
RATE-\$	£		0.0090	0.0010		0.0098	0.0105		0.0100		10.0000		0.2500	0.0070						RATE-S	<u>(a)</u>		0.0096	0.0010		0.012	0.0095	0.024		
ACCOUNT NAME			Billed-WMS	Billed-WMS	Billed-One Time	Billed-NW	Billed-CN	Distribution Service Revenue-subaccount:	Volumetric charge	Distribution Service Revenue-subaccount	Monthly service charge	Distribution Service Revenue-subaccount	SSS Administrative charge	DRC Payable				e market service charge		ACCOUNT NAME			Charges, WMS	Charges, WMS	Charges, One-time	Charges, NW	Charges, CN			
ACCOUNT			4062 BII	4062 Bil	4064 Bil	4066 Bil	4068 Bil	ä	4080 Vc	ă	4080 Mc		4080 SS	2250 DF				In the wholesal		ACCOUNT			4708 Ch	4708 Ch	4712 Ct	4714 Ch	4716 Ch	4705		
TYPE OF ITEM	TOTAL BUNDLED REVENUE BILLING	UNBUNDLING THE BUNDLED REVENUE BILL:	Wholesale market services revenue		Wholesale market one-time revenue - N/A	Retall transmission network revenue	Retall transmission connection revenue		Distribution volumetric revenue		Distribution monthly service revenue		Distribution SS Administrative revenue	Debt retirement charge (DRC)	12 Total excluding energy sales	13 BALANCE - ENERGY SALES (RESIDUAL FIGURE)		Assumed that the IMO bill to the utility includes the RRA in the wholesale market service charge		TYPE OF ITEM		14 TOTALUNBUNDLED IMO CHARGES/COSTS	15 Wholesale market service charges*		17 Wholesale market one-time charges	Retall transmission network charges	Retall transmission connection charges	20 Energy Costs - WAHSP	21 TOTAL UNBUNDLED IMO COSTS	
	1 TOTALB	2 UNBUND	3 Wholes:	4 RRA	5 Wholes:	6 Retail tr	7 Retall to		8 Distribu		9 Distribu		10 Distribu	11 Debtre	12 Total excl	13 BALANC		* Assumed				14 TOTALU	15 Wholesak	16 REA.	17 Wholesal	18 Retall tran	19 Retail tran	20 Energy C	21 TOTAL U	

(8,100) A-F (50,000) F ⁻ (29,700) , 13,500 D-I (27,000) E-J

RETAIL SETTLEMENT VARIANCES (8=3+4-7) * Unknown but can be calculated** Given

*** Known

A- Total Unbundled Revenue	\$1,138,050
Less: DRC	(94,500)
RRA	(13,500)
Net	\$1,030,050
Add: PPVA-not applicable here	24,975
Total revenue- agrees	
to Art. 490, p.21	\$1,055,025

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX C

APPENDIX C

Haldimand County Hydro Inc. Distribution Rate Application EB-2002-0091

(Letter dated January 14, 2003 Deeming "Interim" Rate Order issued in EB-2002-0091 as "Final") Ontario Energy
Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie de l'Ontario C.P. 2319 26e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone; 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

January 14, 2003

Mr. Michael Price General Manager and Secretary Haldimand County Hydro Inc. 1 Greendale Drive Caledonia, ON N3W 2J3

Dear Mr. Price:

Re:

Haldimand County Hydro Inc. Distribution Rate Application

Board File No. RP-2002-0082/EB-2002-0091/

As a result of the passage of Bill 210 on December 9, 2002, if an interim order under section 78 was in effect on November 11, 2002, the order shall be deemed to be a final order as per subsection 4(11) of Bill 210, which amends the *Ontario Energy Board Act, 1998* with the addition of subsection 79.3 (2). Therefore the rates approved as "Interim" on June 12, 2002 are now considered final.

Also as a result of the passage of Bill 210 on December 9, 2002, this application has been discontinued and considered closed as per subsection 4(11) of Bill 210, which amends the *Ontario Energy Board Act, 1998* with the addition of subsection 79.3 (5). This subsection provides that any applications made under section 78 and commenced before December 9, 2002 are discontinued on December 9, 2002.

Therefore, the rates, excluding cost of power rates, as set out in the Rate Order issued in RP-2002-0082/EB-2002-0091 are the rates which are currently in effect. The cost of power rates shown on this rate order are no longer valid as power costs ceased to be regulated when the electricity market opened for competition in May 2002.

If you would like to reapply in this matter, the legislation now requires you to obtain the written approval of the Minister of Energy before you make a new application to the Board under section 78.

Yours truly,

Paul B. Pudge

Board Secretary

Pane & Rudge

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX D

APPENDIX D

Haldimand County Hydro Inc. Market Readiness Update

(Letter dated June 21, 2002 Informing Board of Ability to Fully Unbundle Rates)



Haldimand County Hydro
1 Greendale Drive,
Caledonia, Ontario N3W 2J3

Tel: (905) 765-5211 Fax: (905) 765-8211

June 21, 2002

WITHOUT PREJUDICE

Paul Pudge Board Secretary Ontario Energy Board 26th Floor/P.O. Box 2319 2300 Yonge Street Toronto, Ontario M4P 1E4

Re: Haldimand County Hydro Market Readiness Update

Dear Mr. Pudge:

Haldimand County Hydro is pleased to inform you that we are able to provide a fully unbundled Standard Supply Service bill.

Haldimand County Hydro has received authorization to participate in the IMO administered markets and to convey electricity into, through or out of the IMO-controlled grid.

We are completing testing of the EBTs required on the attached form M6 to interact with retailers according to the requirements specified in the Retail Settlement Code and the EBT standards. We anticipate that we will be able to meet these requirements within the next week.

Thank you for your continued co-operation.

Yours truly

Michael Price, MBA, P.Eng.

President and CEO

cc. Sahar Mishriki

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX E

APPENDIX E

Haldimand County Hydro Inc. Distribution Rates

(Rate Card effective April 1, 2002)

Distribution Rates

Effective April 1st, 2002

Residential - Urban Service

Monthly Service Charge \$11.66
Distribution Volumetric Rate \$0.0178/kWh

Residential - Rural Service

Monthly Service Charge \$13.31 Distribution Volumetric Rate \$0.0189/kWh

General Service (< 50kW) Urban

Monthly Service Charge \$15.79
Distribution Volumetric Rate \$0.0162/kWh

General Service (< 50kW) Rural

Monthly Service Charge \$17.02 Distribution Volumetric Rate \$0.0146/kWh

General Service (> 50kW) Urban - Non Time of Use

Monthly Service Charge \$29.50
Distribution Volumetric Rate \$4.5087/kW

General Service (> 50kW) Rural - Non Time of Use

Monthly Service Charge \$29.99
Distribution Volumetric Rate \$4.9189/kW

Sentinel Lights (Non Time of Use)

Monthly Service Charge \$1.64
Distribution Volumetric Rate \$2.0728/kW

Miscellaneous Charges

\$8.80 Account Set-up Charge \$10.50 Arrears Certificate 1.5% per month Late Payment Returned Cheque Charge (includes bank charges) \$13.00 Collection of Account Charge \$9.00 Reconnection During Regular Working Hours \$20.00 Reconnection After Regular Working Hours \$50.00 Transformer Ownership Allowance \$0.60/kW



We Can Explain.

The rate adjustments, effective April 1st, represent an overall increase of approximately 9.07%. However, the actual impact on your bill depends on your rate classification and electricity use. For the average residential (urban) customer, the rate adjustment will add \$8.68* (8.4%) a month to your total bill. For the average residential (rural) customer, the rate adjustment will add \$8.62*(8.7%) to your total bill. A Rate Harmonization Plan has been introduced to achieve a single fixed rate for all urban customers and a single fixed rate for all rural customers by March 2003. *based on 1000 kWh.

Why the Increase?

- 1. To cover the cost of the Ontario Government's restructuring of the electricity industry. In fact, more than 80% of the overall increase is the result of transition costs, new fees and corporate taxes that must be paid by electricity distribution companies like Haldimand County Hydro under restructuring.
- 2. Ongoing maintenance and improvement of Haldimand County's electrical system. A reliable supply of electricity is one of the most important needs we have in our day to day lives. As a result, Haldimand County Hydro has budgeted approximately \$2.3 million in 2002 for capital improvements to the County's vital electrical system. It's important to remember that the distribution charges you pay Haldimand County Hydro only represent approximately 25% of a total residential bill, but must cover the cost of delivery of electricity to homes and businesses, maintenance and improvements, 24 hour emergency service, and the day to day administration of the utility. Remember that if you do not sign with an energy retailer the actual electricity you use is passed on to you with no mark-up for profit.

Questions?

Information on deregulation of the electrical industry is available from the Ontario Energy Board at 1-877-632-2727 or the Ministry of Energy at 1-888-668-4636.

905-765-5211 or 905-774-6767

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX F

APPENDIX F

Haldimand County Hydro Inc. SIMPIL Models

(2001 SIMPIL Model)

(2002 SIMPIL Model)

(2003 SIMPIL Model)

(2004 SIMPIL Model)

(2005 SIMPIL Model)

	A	В	С	D	Е
\Box	SIMPIL MODEL			_	Version 2009.1
1	(Halton Hills Version per Board Decision in EB-2008-0381)				
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: HALDIMAND COUNTY HYDRO INC.			Colour Code	
4	Reporting period: October 1, 2001 to December 31, 200	1 (Q4)		Input Cell	
5		00	dans	Formula in Cell	
7	Days in reporting period: Total days in the calendar year:	92 365	days days		
8	Total days III the calendar year.	303	uays		
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)		T/IN	IN	
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT	1/IN	100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	31-Dec-01	
20	-		Date	31-Dec-01	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28 29	(FROM 1999 FINANCIAL STATEMENTS) USE BOARD-APPROVED AMOUNTS				
30	USE BOARD-AFFROVED AMOUNTS				
31	Rate Base (wires-only)			33,509,753	
33	Common Equity Ratio (CER)			50.00%	
33					
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,870,110	
43	1999 return from RUD Sheet #7				389,419
1				1,557,675	369,419
45	Total Incremental revenue			1,312,435	
46 47	Input: Board-approved dollar amounts phased-in Amount allowed in 2001			437,478	
48	Amount allowed in 2001 Amount allowed in 2002			_ 437,478 437,478	
49	Amount allowed in 2002 Amount allowed in 2003 and 2004 (will be zero due to Bill 210			437,478	
50	unless authorized by the Minister and the Board)			,,,,	
51					
52	Total Regulatory Income				389,419
53 54	Equity			16,754,877	
55	Lyuity			10,734,877	1
	Return at target ROE			1,655,382	
57					
58	Debt			16,754,877	
59	D. J.			1011===	
60	Deemed interest amount in 100% of MARR			1,214,729	
	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61			077,717	
64	Phase-in of interest - Year 2 (2002)			1,029,572	
65	((D43+D47+D48)/D41)*D61				_
66	Phase-in of interest - Year 3 (2003) and forward			1,214,729	
67	(D60)				
68 69					
US			l	1	

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial	П	M of F	M of F	Tax	
2	(Halton Hills Version per Board Decision in EB-2008-0381) PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)		Latimate		Variance	Variance	Returns	
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	Varaian 2000 4	
	Utility Name: HALDIMAND COUNTY HYDRO INC.						Version 2009.1	
	Reporting period: October 1, 2001 to December 31, 2001 (Q4)							
8							Column	
	Days in reporting period: Total days in the calendar year:	92 365	days days				Brought From	
11	Total days in the calcidal year.	30	uays				TAXREC	
12			\$		\$		\$	
13	I) CORPORATE INCOME TAXES							
15								
16 17	Regulatory Net Income REGINFO E53	1	389,419		532,928		922,347	
	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	3	469,788		12,154		481,942 0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year Regulatory Adjustments - increase in income	4 5			0		0	
25	Other Additions (See Tab entitled "TAXREC")	ິ			0		0	
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27 28	Other Additions (not "Material") "TAXREC" "Material Items from "TAXREC 2" worksheet	6			0 2,426		0 2.426	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				0		0	
31	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	248,175		298,486		546,661	
	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8 9	0		0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
	Interest Expense Deemed/ Incurred	11	164,815		88,276		253,091	
	Tax reserves - end of year Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
	Contributions to pension plans Interest capitalized for accounting but deducted for tax	3 11			0		0	
	Other Deductions (See Tab entitled "TAXREC")	- ' '			0		O	
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45 46	Other Deductions (not "Material") "TAXREC" Material Items from "TAXREC 2" worksheet	12 12			3.853		3,853	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48 49	Items on which true-up does not apply "TAXREC 3"				1,377,621		1,377,621	
50	TAXABLE INCOME/ (LOSS)		446,216		-1,220,727	Before loss C/F	-774,511	
51	DI ENDED INCOME TAY DATE							
53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%	H	0.0000%		40.62%	
54								
55 56	REGULATORY INCOME TAX		181,253		-181,253	Actual	0	
57								
58 59	Miscellaneous Tax Credits	14			0	Actual	0	
60	Total Regulatory Income Tax		181,253	\vdash	-181,253	Actual	0	
61	•		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,=30			
62	II) CAPITAL TAXES							
64								
	Ontario Base	15	33.509.753	Н	2,610,040		36,119,793	
	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-56,124		4,943,876	
68	Taxable Capital		28,509,753		2,553,916		31,175,917	
69 70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	Н	0.0000%		0.3000%	
71								
72 73	Ontario Capital Tax		21,558		2,016	Overpaid	23,574	
74	Federal Large Corporations Tax							
	Base	18	33,509,753		3,863,926		37,373,679	
76 77	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	19	10,000,000 23,509,753	H	3,863,926		10,000,000 27,373,679	
78	·	0.7						
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	H	0.0000%		0.2250%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		13,333		2,191		15,524	
82 83	Less: Federal Surtax 1.12% x Taxable Income	21	4,998	\vdash	-4,998		0	
84	Net LCT		8,335		7,189		15,524	
85								

	A	В	С	D	E	F	G	Н
	SIMPIL MODEL	ITEM	Initial	Ť	M of F	M of F	Tax	
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				Variance K-C	Variance Explanation		
5	O				N.O	Explanation	Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: October 1, 2001 to December 31, 2001 (Q4)							
8							Column	
9	Days in reporting period:	92	days				Brought	
11	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		\$	
13								
86 87	III) INCLUSION IN RATES							
	Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89	moonie rax rate assaror gross up (exclude surtax)		00.0070					
	Income Tax (proxy tax is grossed-up)	22	299,592			Actual 2001	0	
	LCT (proxy tax is grossed-up)	23	13,777 21,558			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	21,558			Actual 2001	U	
94								
	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	334,927			Actual 2001	0	
96 97	RAM DECISION							
98			1					
	IV) FUTURE TRUE-UPS							
	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
	Employee Benefit Plans - Accrued, Not Paid	3			0			
	Tax reserves deducted in prior year Reserves from financial statements-end of year	4			0			
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
107	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 I204)	11			0			
	Tax reserves claimed in current year 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			
118	Other deductions "Material" Item TAXREC 2	12			0			
	Total TRUE-UPS before tax effect	26		_	0			
121	Total Title of O Bololo tax offoot							
	Income Tax Rate from 2001 Utility's tax return			Х	40.62%			
123	Income Tay Effect on Tayle up adjustment		1	-			ļ	
124	Income Tax Effect on True-up adjustments		1	F	0		+	
126	Less: Miscellaneous Tax Credits	14		L	0			
127								
400	Total Income Tax on True-ups		1		0			
130	Income Tax Rate used for gross-up		1		39.50%		+	
131	miconic rax itale used for gross-up				39.30%			
132	TRUE-UP VARIANCE ADJUSTMENT				0			
133	B/b) Oslandstian of the Deformal Activity		1					
1,	IV b) Calculation of the Deferral Account Variance caused by			ĺ				
134 135	changes in legislation		1				-	
133	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial		 					
	estimate column)			=	446,216			
137	DEVICED CORPORATE INCOME TAY SATE							
138 139	REVISED CORPORATE INCOME TAX RATE			Х	40.62%			
140	REVISED REGULATORY INCOME TAX			=	181,253			
141								
142	Less: Revised Miscellaneous Tax Credits			<u> </u>	0			
143 144	Total Revised Regulatory Income Tax		1	=	181,253		-	
145	Total Nevised Negulatory Illourie Tax			-	101,233			
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			Ì				
146				_	181,253			
147	Regulatory Income Tay Variance			-	0			
149	Regulatory Income Tax Variance		 	<u> </u>	U		+	
			1					

	A	В	С	D	E	F	G	Н
П	SIMPIL MODEL	ITEM	Initial		M of F	M of F	Tax	\square
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)			-	Variance K-C	Variance		├
5	(Wires-only business - see Tab TAXREC)			+	K-C	Explanation	Version 2009.1	\vdash
6	Utility Name: HALDIMAND COUNTY HYDRO INC.						Version 2003.1	\vdash
	Reporting period: October 1, 2001 to December 31, 2001 (Q4)							
8	reporting period. October 1, 2001 to December 51, 2001 (44)						Column	
	Days in reporting period:	92	days				Brought	
	Total days in the calendar year:	365	days				From	
11							TAXREC	<u> </u>
12			\$	+	\$		\$	\vdash
	Ontario Capital Tax			+				
	Base			=	33,509,753			\vdash
	Less: Exemption from tab Tax Rates, Table 2, cell C39			1 - 1	5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154								
	Rate - Tab Tax Rates cell C54			Х	0.3000%			
156 157	Revised Ontario Capital Tax	-	 	=	21,558		_	\vdash
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)		 	=	21,558			\vdash
	Regulatory Ontario Capital Tax Variance		1	=	0			
160								
	Federal LCT							
	Base		1	+	33,509,753			\sqcup
	Less: Exemption from tab Tax Rates, Table 2, cell C40 Revised Federal LCT	-	1		10,000,000 23,509,753			$\vdash \vdash$
165	Revised Federal LCT			=	23,509,753			
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			\vdash
167	- tana (and an incompanies of tana incompanies				0			
168	Gross Amount				13,333			
169	Less: Federal surtax			<u> </u>	4,998			<u> </u>
170	Revised Net LCT			=	8,335			-
171 172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	8,335			
173				=	0,333			\vdash
174	rogalatory rodoral 201 Vallation							
	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%			
176								
	Income Tax (grossed-up) LCT (grossed-up)			+	0			_
	Ontario Capital Tax			+	0			
180	ontario dapitar rax				J			\vdash
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								<u> </u>
	TRUE-UP VARIANCE (from cell I130)			+	0			-
184	Total Deferral Account Entry (Positive Entry = Debit)			=	0			\vdash
186	(Deferral Account Variance + True-up Variance)			+=	0			$\vdash \vdash$
187	1							
188								
189								
	V) INTEREST PORTION OF TRUE-UP		ļ	\perp				
	Variance Caused By Phase-in of Deemed Debt	1	 	+				\vdash
192	Total deemed interest (REGINFO)		1	+ +	1,214,729			\vdash
	Interest phased-in (Cell C36)	1		+	164,815			\vdash
195		1			.0.,010			
196	Variance due to phase-in of debt component of MARR in rates				1,049,913			
197			-	$oxed{\Box}$				
198	Other Interest Veriences /i.e. Demonier II-		-	+				\vdash
200	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)	 	 	+			+	\vdash
	Interest deducted on MoF filing (Cell K36+K41)	 	1	1 1	253,091			\vdash
	Total deemed interest (REGINFO CELL D60)	1			1,214,729			
203								
	Variance caused by excess debt		ļ	$oldsymbol{\bot}$	961,638			
205	Interest Adjustment for Tay Burnesse (seem forward to Call MAS)		-	1 1				1
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)		1	+	0			\vdash
	Total Interest Variance	1		+	88,276			\vdash
209								\Box
210								
211								

_						
	A A	В	C	D	E	F
1	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)	LINE	M of F	Non-wires	Wires-only	
2			Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4 5	0		Return		M 0000 4	
	Section A: Identification:				Version 2009.1	
7	Utility Name: HALDIMAND COUNTY HYDRO INC.					
8	Reporting period: October 1, 2001 to December 31, 2001 (Q4)					
	Taxation Year's start date:					
10	Taxation Year's end date:					
	Number of days in taxation year:		92	days		
12	Please enter the Materiality Level :		0	< - enter materiality	, lovol	
14		Y/N	0	C - enter materiality	y level	
15		Y/N				
16	or other means (product product and annually	Y/N				
	Does the utility carry on non-wires related operation? (Please complete the questionnaire in the Background questionnaire works	Y/N				
19	triease complete the questionnaire in the background questionnaire works	ileet.j				
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data: Input unconsolidated financial statement data submitted with Tax returns.					
24						
25		se and p	provision for incom	e tax		
26	Places anter the non-wire energian's energian and a second as a residue number the	Outom -	tionly tracts all	ounto		
28	Please enter the non-wire operation's amount as a positive number, the program in the "non-wires elimination column" as negative values in TAXREC and TAXRE		ucany treats an am	ounts		
29						
	Income:					
31	Energy Sales Distribution Revenue	+	5,920,095 1,745,010		5,920,095 1,745,010	
33	Other Income	+	551,600		551,600	
34	Miscellaneous income	+	201,000		0	
35		+			0	
36	Revenue should be entered above this line					
	Costs and Expenses:					
39	Cost of energy purchased	-	5,920,095		5,920,095	
40	Administration	-	278,134		278,134	
41 42	Customer billing and collecting	-	216,762 397,425		216,762 397,425	
43	Operations and maintenance Amortization	-	481.942		481,942	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-			0	
46 47		-			0	
48		-			0	
49						
	Net Income Before Interest & Income Taxes EBIT	=	922,347	0	922,347	
51 52	Less: Interest expense for accounting purposes Provision for payments in lieu of income taxes	-	253,091 87,939		253,091 87.939	
53		=	581,317	0	- /	
	(The Net Income (loss) on the MoF column should equal to the net income (loss) per					
54 55	financial statements on Schedule 1 of the tax return.)					
	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:		07.000	_	07.000	
	Provision for income tax Federal large corporation tax	+	87,939	0	87,939 0	
61	Depreciation & Amortization	+	481,942	0	481,942	
	Employee benefit plans-accrued, not paid	+		0		
	Tax reserves - beginning of year Reserves from financial statements- end of year	+	0			
	Reserves from financial statements- end of year Regulatory adjustments on which true-up may apply (see A66)	+	0	0	0	
	Items on which true-up does not apply "TAXREC 3"		0	0		
67	Material addition items from TAXREC 2	+	2,426			
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69 70	Subtotal		572,307	0	572,307	
71			012,001		372,307	
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78 79		+			0	
80	Total Other Additions	=	0	0		
81						
82 83	Total Additions	=	572,307	0	572,307	
	Recap Material Additions:					
85	Troop Indicate Additions.		0	0	0	
_			0			
86						
86 87			0			
86				0	0	

_	Α.	-		-	-	-
	A A	В	C	D Non wires	E Wires and	F
1	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax	Liminations	Return	
4	0		Return			
5					Version 2009.1	
91			0	0	0	
	Total Other additions >materiality level		0	0	0	
93			0	0	0	
95	Total Other Additions		0	0	0	
	BOOK TO TAX DEDUCTIONS:					
	Capital cost allowance	-	535,850		535,850	
	Cumulative eligible capital deduction	-	10,811		10,811	
	Employee benefit plans-paid amounts	-			0	
	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments : CCA	-			0	
103		-	0		0	
	Tax reserves - end of year	_	0	0	0	
	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-			0	
	Items on which true-up does not apply "TAXREC 3"		1,377,621	0	1,377,621	
	Interest capitalized for accounting deducted for tax	-	0.050		0	
	Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2	-	3,853	0	3,853	
112	Other deduction items (not material) from TAXREC 2	-	U	Ü	U	
113	Subtotal	=	1,928,135	0	1,928,135	
114	Other deductions (Please explain the nature of the deductions)		, , , , , ,		, , , , ,	
	Charitable donations - tax basis	-			0	
	Gain on disposal of assets	-	0		0	
117 118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,928,135	0	1,928,135	
123						
124 125	Recap Material Deductions:		0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions less than materiality level Total Other Deductions		0	0	0	
133	Total Other Deductions		U	U	U	
	TAXABLE INCOME	=	-774,511	0	-774,511	
	DEDUCT:				·	
136		-			0	
137	Net capital loss applied positive number	-			0	
138 139	NET TAXABLE INCOME	=	-774,511	0	-774,511	
140	INC. I FAMOLE INCOME	-	-114,511	0	-114,311	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	0		0	
	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
	Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	=	0	0	0	
147	I OTAL INCOME TAX	-	- 0	0	U	
	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		28.12%		28.12%	
	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%	*******	40.62%	
152 153	Section F: Income and Capital Taxes					
154	Occupi I . IIICOIIIE aliu Capitai I axes					
	RECAP					
156	Total Income Taxes	+	0	0	0	
	Ontario Capital Tax	+	0		0	
	Federal Large Corporations Tax	+	0		0	
159 160	Total income and capital taxes	=	0	0	0	
161	i otal moonie and capital taxes	-	U	0	U	

	A	В	С	D	Е	F
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-				•	
1	2008-0381)					
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return		V 0000 4	
5	0				Version 2009.1	
6	Heilier Names HALDIMAND COUNTY HYDD	O INIC				
7	Utility Name: HALDIMAND COUNTY HYDR		0004 (0.4)			
9	Reporting period: October 1, 2001 to Dece	ember 31	, 2001 (Q4)			
_	TAY DECEDIES					
11	TAX RESERVES					
	Beginning of Year:					
13	· u				0	
14	Reserve for doubtful accounts ss. 20(1)(I)				0	
15	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	Outer - Ficase describe				0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m) Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36 37						
38	FINANCIAL STATEMENT RESERVES					
39	FINANCIAL STATEMENT RESERVES					
	Beginning of Year:					
41	· u				0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
49	Sale. Floude decoribe				0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51				•		
	End of Year:					
53					0	
54	Environmental				0	
56	Environmental Allowance for doubtful accounts				0	
57					0	
	Property taxes				0	
	Other - Please describe				0	
	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	В	С	D	Е	F
1	,,		Ü		_	
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
2	(Halton Hills Version per Board Decision in EB-2008-0381)		Comorata	Fliminations	Tav	
4	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
5	RATEPAYERS ONLY		Return		rtoturri	
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: October 1, 2001 to December 31, 2001 (Q	4)	20			
	Number of days in taxation year: Materiality Level:		92			
12	materiality Level.		0			
13						
14						
	Section C: Reconciliation of accounting income to taxable income Add:					
17	Add.	+			0	
	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers) Taxable capital gains	+			0	
22	i anabie capital yallis	+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings Capital items expensed	+			0	
	Debt issue expense	+	2,426		2,426	
29	Financing fees deducted in books	+	, =		0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
	Provision for bad debts	+			0	
37 38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
44		+			0	
45		+				
46	Total Additions	=	2,426	0	2,426	
47 48	Recap of Material Additions:					
49	record of Material Additions.		0	0	0	
50			0	0	0	
51			0	0	0	
52 53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57 58			0	0	0	
58			0	0	0	
	Debt issue expense		2,426	0	2,426	
61	·		0	0	0	
62			0	0	0	
63 64			0	0	0	
65			0	0	0	
66			0	0	0	
67				0	0	
68 69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74 75			0	0	0	
76			0	0	0	
77	Total Material additions		2,426	0	2,426	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		2,426	0	2,426	

_	Δ	-		-	-	-
H	A	В	С	D	E	F
1						
_	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
2	(Halton Hills Version per Board Decision in EB-2008-0381)				_	
	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: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: October 1, 2001 to December 31, 2001 (Q	4)				
	Number of days in taxation year:		92			
	Materiality Level:		0			
12						
13						
80						
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
	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	Financing Costs	-	3,853		3,853	
97	Enerconnect Limited Partnership Loss	-	0		0	
98		-			0	
99	Total Deductions	=	3,853	0	3,853	
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	Financing Costs		3,853	0	3,853	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		3,853	0	3,853	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		3,853	0	3,853	
122						

	A	В	С	D	Е	F
1			-			
2	SIMPIL MODEL					
3	(Halton Hills Version per Board Decision in EB-2008-0381) 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: HALDIMAND COUNTY HYDRO INC.				Version 2009.1	
9						
10	Reporting period: October 1, 2001 to December 31, 2001 (Q	4)				
	Number of days in taxation year:	' ,	92			
13	Turner of days in taxation your		02			
14						
15	Oction O. Bernaulletten of consulting bases to touchte become					
16 17	Section C: Reconciliation of accounting income to taxable income Add:					
18	Auu.					
	Recapture of capital cost allowance	+			0	
	CCA adjustments CEC adjustments	+			0	
	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	+			0	
	Deemed dividend income Loss in equity of subsidiaries and affiliates	+			0	
	Loss in equity of subsidiaries and anniates Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments Dividends credited to investment account	+			0	
	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34		+			0	
	Donations - amount per books 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	Out of a soult of the adjustment of	+			0	
40	Ontario capital tax adjustments Changes in Regulatory Asset balances	+			0	
42	onanges in regulatory Asset balances	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44 45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	0	0	0	
48						
49 50	Deduct:					
	CCA adjustments	-			0	
	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	11,000		11,000	
	Financing fee amorization - considered to be interest expense for PILs Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-	412		412	
59 60		-			0	
61		-			0	
62		-			0	
63		-			0	
64 65	Ontario capital tax adjustments to current or prior year	-			0	
66	Changes in Regulatory Asset balances	-	1,366,209		1,366,209	
67		-	1,000,200		0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69 70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	1,377,621	0	1,377,621	
74 75						
73						

	A	В	С	D	Е	F
_	SIMPIL MODEL	2	J		_	
	(Halton Hills Version per Bo	oard Decisi	on in EB-200	8-0381)		
2	Corporate Tax Rates					Version 2009.1
3	Exemptions, Deductions, o	r Threshold	ls			version 2009.1
4				O INC.		
5	Reporting period: Oct	ober 1, 20	01 to Dece	mber 31, 2	001 (Q4)	
6						
7	Rates Used in 2002 RAM PI	l e Annlica	tions for 04.3	0001		Table 1
9	Income Range	LS Applicat	0	.001	200,001	
	RAM 2002		to		to	>700,000
11		Year	200,000		700,000	
	Income Tax Rate Proxy Tax Year	2001				
	Federal (Includes surtax)	2001	13.12%		26.12%	28.12%
15			6.00%		6.00%	12.50%
16	Blended rate		19.12%		34.12%	40.62%
17 1Ω	Comital Tay Data		0.2000/			0.2000/
	Capital Tax Rate LCT rate		0.300% 0.225%			0.300% 0.225%
20			1.12%			1.12%
٠.	Ontario Capital Tax	MAX	5,000,000			
21	Exemption **	\$5MM	5,555,555			
	Federal Large Corporations Tax	MAX	10,000,000			
22	Exemption **	\$10MM	2,230,000			
	**Exemption amounts	must agre	e with the	Board-app	roved 200	2 RAM PILs
22	filing					
23 24						
25]					Table 2
	Expected Income Tax Rates	s for 2001 a		x Exemption		
	Income Range		0		200,001	>700 000
28 29	Expected Rates	Year	to 200,000		to 700,000	>700,000
	Income Tax Rate				,	
31	Current year	2001				
32	Federal (Includes surtax)	2001	13.12%		26.12%	28.12%
34		2001 2001	6.00% 19.12%		6.00% 32.12%	12.50% 40.62%
35			10.1270		02.1270	.5.5270
	Capital Tax Rate	2001	0.300%			0.300%
	LCT rate	2001	0.225%			0.225%
38	Surtax Ontario Capital Tax	2001 MAX	1.12%			1.12%
39	Exemption *** 2002	\$5MM	5,000,000			
	Federal Large	MAX				
40	Corporations Tax	\$10MM	10,000,000			
10 11	Exemption *** 2002 ***Allocation of exemption		et comply s	vith the Pe	ard'e inetr	uctions
	regarding regulated ac		st comply v	vidi die BO	aru s mstr	นบแบบเธ
42	regarding regulated at	uviues.				Table 0
43 44	Input Information from Utili	tv's Actual	2001 Tax Ret	urns		Table 3
45	mpat mornation nom other	., 0	0		200,001	
46			to		to	>700,000
47 4Ω	Income Toy Dete	Year	200,000		700,000	
48 49	Income Tax Rate Current year	2001				
50		2001	13.12%		22.12%	28.12%
51			6.00%		9.75%	12.50%
52			19.12%		31.87%	40.62%
53			0.00000			0.05551
	Capital Tax Rate		0.300%			0.300%
	LCT rate Surtax		0.225% 1.12%			0.225% 1.12%
20	Ontario Capital Tax	MAX				1.12/0
57	Exemption *	\$5MM	5,000,000			
	Federal Large	MAX	40.00====			
	Corporations Tax	\$10MM	10,000,000			
	Exemption *					
58 59		notical to	v rotum ell	anation a-l	outotion -	in vour
59	* Include copies of the					in your
						in your

	А	В	С	D	E	F	G	Н	1	J	K	L	M	Ν	0
	SIMPIL MODEL														
1	(Halton Hills Version per Board De	cision	in EB-2008-03	B1)											
2	Analysis of PILs Tax Account 1562	2:													
3	Utility Name: HALDIMAND Co	TNUC	Y HYDRO IN	IC.											Version 2009.1
4	Reporting period: October 1	, 200°	1 to Decemb	er 3	1, 2001 (Q4)		Sign Conventi	on: ·	+ for increase;	- fc	r decrease				0
5					• • •										
6															
7															
	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10	Opening balance:														
11	Opening balance:	=	0		336,951		336,951		336,951		336,951		336,951		0
	Board-approved PILs tax proxy	+/-													
12	from Decisions (1)		334,927												334,927
	PILs proxy from April 1, 2005 -														
13	input 9/12 of amount														0
١	True-up Variance Adjustment Q4,	+/-													
14	2001 (2)	+/-													0
4.5	True-up Variance Adjustment	+/-													0
15	Deferral Account Variance			_				_							0
16	Adjustment Q4, 2001 (4)														0
10	Deferral Account Variance	+/-											-		O
17	Adjustment (5)	''													0
H	Adjustments to reported prior	+/-													Ü
18	years' variances (6)	.,													0
	Carrying charges (7)	+/-											-		
			2,024												2,024
	PILs billed to (collected from)	-													0
21	customers (8)														U
	Ending balance: # 1562	l	336,951		336,951		336,951	-	336,951		336,951		336,951		336,951
23	J	1			,										
24	1														

Uncollected PILs

34 35

36 37

45

46 47

70

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

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

- (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
- (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
- (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
- (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 38 39 40 41 42 43 44 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
 - (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.

The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet.
 49 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reco (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
 - The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (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.
- 54 55 56 (7) Carrying charges are calculated on a simple interest basis. 57 58
- (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. 61 62 63 64 65 67 The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus. (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 71 72 73 74 75 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

	A	В	С	D	Е
	SIMPIL MODEL			_	Version 2009.1
1	(Halton Hills Version per Board Decision in EB-2008-0381)				
	REGULATORY INFORMATION (REGINFO)				
	Utility Name: HALDIMAND COUNTY HYDRO INC.			Colour Code	
4	Reporting period: January 2, 2002 to December 31, 200	2		Input Cell	
5 6	Days in reporting period:	365	days	Formula in Cell]
	Total days in the calendar year:	365	days		
8					
	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Υ	
13	· ·		.,		
14 15	Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?		Y/N	N	
10	•				
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	
18		OCT	V/NI	N	
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N Y/N	N N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT	I/IN	100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2002	
20	-		Date	12-31-2002	
	MARR NO TAX CALCULATIONS SHEET #7 FINAL RUD MODEL DATA				Regulatory Income
-	(FROM 1999 FINANCIAL STATEMENTS)				income
	USE BOARD-APPROVED AMOUNTS				
30					
52	Rate Base (wires-only)			33,509,753	
7	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,870,110	
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
-					1,557,675
45 46	Total Incremental revenue Input: Board-approved dollar amounts phased-in			1,312,435	
47	Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50 51	unless authorized by the Minister and the Board)		-		0
52	Total Regulatory Income				2,432,631
53					_,,so.
54	Equity		-	16,754,877	
55 56	Return at target ROE		-	1,655,382	
57	Neturn at target NOE			1,000,382	
58	Debt			16,754,877	
59	D. I.			101/	
60	Deemed interest amount in 100% of MARR		-	1,214,729	
	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
	Phase-in of interest - Year 2 (2002)			1,029,572	
65 66	((D43+D47+D48)/D41)*D61 Phase-in of interest - Year 3 (2003) and forward		-	1,029,572	
67	((D43+D47+D48)/D41)*D61 (due to Bill 210)			1,029,372	
68					
69					

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial	Ħ	M of F	M of F	Tax	
1	(Halton Hills Version per Board Decision in EB-2008-0381)				P-11-	F-11-		
3	PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)		Estimate		Filing Variance	Filing Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: January 2, 2002 to December 31, 2002						Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11			Φ.		•		TAXREC	
13			\$		\$		\$	
_	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	2,432,631		720,053		3,152,684	
	BOOK TO TAX ADJUSTMENTS							
	Additions:							
	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	3	1,863,832		195,707 0		2,059,539	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24 25	Regulatory Adjustments - increase in income Other Additions (See Tab entitled "TAXREC")	5		\vdash	0		0	
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 30	Other Additions (not "Material") "TAXREC 2" Items on which true-up does not apply "TAXREC 3"	6	214.577		1,253,587		1,468,164	
31	items on which true-up does not apply TAXREC 3		214,377		1,233,307		1,400,104	
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	1,903,327		-64,153		1,839,174	
35	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8 9	0		0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	1,029,572		50,872		1,080,444	
	Tax reserves - end of year	4			0		0	
	Reserves from financial statements - beginning of year Contributions to deferred income plans	3			0		0	
	Contributions to pension plans	3			0		0	
	Interest capitalized for accounting but deducted for tax	11			0		0	
44	Other Deductions (See Tab entitled "TAXREC") "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	34,503		3,092,998		0 127 504	
48	Items on which true-up does not apply "TAXREC 3"		34,503		3,092,998		3,127,501	
	TAXABLE INCOME/ (LOSS)		1,543,638		-910,370	Before loss C/F	633,268	
51								
52 53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54	Tab Tax Nates - Negulatory from Table 1, Actual from Table 3	13	30.02 /8		0.000078		30.02 /8	
55	REGULATORY INCOME TAX		596,153		-596,153	Actual	0	
56								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59						, iotudi	Ŭ.	
60	Total Regulatory Income Tax		596,153	Щ	-596,153	Actual	0	
61 62								
63	II) CAPITAL TAXES							
64								
65 66	Ontario Base	15	33.509.753	\vdash	4,328,260		37,838,013	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	H	-50,939		4,949,061	
68	Taxable Capital	·	28,509,753		4,277,321		32,888,952	
69 70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	\vdash	0.0000%		0.3000%	
71	INGIG - TAX INGIGS - INGYUIGIOTY, TADIE T, MULUAI, TADIE 3	17	0.3000%	H	0.0000%		0.3000%	
72	Ontario Capital Tax		85,529		13,138	Overpaid	98,667	
73	Endered Large Cornerations Toy			H				
74 75	Federal Large Corporations Tax Base	18	33,509,753		6,478,541		39,988,294	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0, 770,041		10,000,000	
77	Taxable Capital		23,509,753		6,478,541		29,988,294	
78 79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	\vdash	0.0000%		0.2250%	-
80	Traile - Tax Trailes - Tregulatory, Table 1, Mctual, Table 3	20	0.2230%	H	0.0000%		0.2230%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		52,897		14,577		67,474	
82	Less: Federal Surtax 1.12% x Taxable Income	21	17,289	H	-17,289		0	-
83	Net LCT		35,608		31,865		67,474	
85			30,000		01,000		37,77	

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial	Ť	M of F	M of F	Tax	
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				Variance K-C	Variance Explanation		
5	(WHES-ONLY Business - See Tab TANKEO)				IC-O	Explanation	Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: January 2, 2002 to December 31, 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
11	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		\$	
13								
	III) INCLUSION IN RATES							
87	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89	income Tax Rate used for gross- up (exclude surfax)		37.50%					
	Income Tax (proxy tax is grossed-up)	22	953,845			Actual 2002	0	
	LCT (proxy tax is grossed-up)	23	56,973			Actual 2002	67,474	
	Ontario Capital Tax (no gross-up since it is deductible)	24	85,529			Actual 2002	98,667	
93 94			 					
	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	1,096,347	-		Actual 2002	166,141	
96	RAM DECISION	20	1,000,047	1			100,141	
97								
98								
	IV) FUTURE TRUE-UPS				DD//25)			
	IV a) Calculation of the True-up Variance				DR/(CR)			
	In Additions: Employee Benefit Plans - Accrued, Not Paid	3	1		0		1	
	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2 In Deductions - positive numbers	6			0			
	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 I204)	11			0			
	Tax reserves claimed in current year 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			
118	Other deductions "Material" Item TAXREC 2	12			0			
	Total TRUE-UPS before tax effect	26		_	0			
121	Total Trice of a bololo tax office	20			Ŭ			
	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			Х	38.62%			
123	T 5" + T							
124 125	Income Tax Effect on True-up adjustments		1	=	0			
	Less: Miscellaneous Tax Credits	14	 		0		+ -	
127								
128	Total Income Tax on True-ups				0			
129	In come Tax Data was different and for the control of the control		1	<u> </u>	07.55			
130 131	Income Tax Rate used for gross-up (exclude surtax)		 		37.50%			
132	TRUE-UP VARIANCE ADJUSTMENT				0			
133					v			
	IV b) Calculation of the Deferral Account Variance caused by		1			-		
	changes in legislation			L				
135	DECLII ATODVTAVADI E INCOLE (II COLETA)							
120	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial		1		1,543,638			
137	estimate column)		 	=	1,343,038		+ -	
138	REVISED CORPORATE INCOME TAX RATE		1	х	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	596,153			
141 142	Less: Revised Miscellaneous Tax Credits		1	<u> </u>	0			
143	LESS. INEVISED IVIISCEIIDITEOUS TOX CIEDIIS		 	Ė	U		+ -	
144	Total Revised Regulatory Income Tax		1	=	596,153			
145								
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				500 /		l J	
146 147			1	-	596,153		-	
	Regulatory Income Tax Variance		 	=	0		+	
149			<u> </u>	L				
		_	_	_				

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial	1 1	M of F	M of F	Tax	
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate	4	Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)			+	Variance K-C	Variance		
5	(Wires-only business - see Tab TAXREC)			+ +	K-C	Explanation	Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.						Version 2003.1	
7	Reporting period: January 2, 2002 to December 31, 2002							
8	reporting period. Variatily 2, 2002 to becomber 51, 2002			1			Column	
	Days in reporting period:	365	days				Brought	
	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$	+	\$		\$	
13	Ontario Capital Tax			╁				
	Base			-	33,509,753			
	Less: Exemption from tab Tax Rates, Table 2, cell C39			T -	5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154								
	Rate - Tab Tax Rates cell C54			Х	0.3000%			
156 157	Revised Ontario Capital Tax	1	 	=	85,529			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)	†	 	-	85,529 85,529		+	
	Regulatory Ontario Capital Tax Variance		1	1=	0		1	
160								
	Federal LCT			\Box				
	Base	1	1	1	33,509,753			
	Less: Exemption from tab Tax Rates, Table 2, cell C40 Revised Federal LCT		1	- =	10,000,000 23,509,753			
165	Revised Federal LCT			╅═╂	23,309,733			
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			1 1	0.2250%			
167								
168	Gross Amount				52,897			
169	Less: Federal surtax			-	17,289			
170 171	Revised Net LCT			=	35,608			
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			+ - 1	35,608			
173				1 = 1	0			
174	The same of the sa							
	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176	/			+ .	0			
	Income Tax (grossed-up) LCT (grossed-up)			+	0			
	Ontario Capital Tax			+	0			
180								
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182				4				
183	TRUE-UP VARIANCE (from cell I130)			+	0			
	Total Deferral Account Entry (Positive Entry = Debit)			+=+	0			
186	(Deferral Account Variance + True-up Variance)	1	 	+=+	U			
187	12 2.2 1000an Variation . True up Variation						1	
188								
189								
	V) INTEREST PORTION OF TRUE-UP			1 1				
191	Variance Caused By Phase-in of Deemed Debt	-	-	+				
	Total deemed interest (REGINFO)	1	+	+ +	1,214,729			
194	Interest phased-in (Cell C36)		1	1 1	1,029,572		1	
195								
196	Variance due to phase-in of debt component of MARR in rates				185,156			
197	according to the Board's decision	1	1	+				
198	Other Interest Variances (i.e. Borrowing Levels	1	 	+				
200	Above Deemed Debt per Rate Handbook)	1		+				
	Interest deducted on MoF filing (Cell K36+K41)	1			1,080,444			
202	Total deemed interest (REGINFO CELL D60]				1,214,729			
203			ļ	$oxed{oxed}$				
204 205	Variance caused by excess debt	1	1	1 4	0			
	Interest Adjustment for Tax Purposes (carry forward to Cell I110)	1	 	1 1	0		+	
207	microst regulation for fax fully object (cally forward to con if full	1		+ +				
	Total Interest Variance				185,156			
209								
210		1		+				
211		1	1					

	A SIMPIL MODEL	В	C	D Non-wires	E	F
1	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)	LINE	M of F	Non-wires	Wires-only	
2			Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5	Section A: Identification:				Version 2009.1	
7	Utility Name: HALDIMAND COUNTY HYDRO INC.					
8	Reporting period: January 2, 2002 to December 31, 2002					
	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12	Please enter the Materiality Level :		0	< - enter materiality	, lovol	
14		Y/N	0	C - enter materiality	/ level	
15		Y/N				
16	C. C	Y/N				
	Does the utility carry on non-wires related operation? (Please complete the questionnaire in the Background questionnaire work	Y/N				
19	triease complete the questionnaire in the background questionnaire work	Silect.				
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data: Input unconsolidated financial statement data submitted with Tax returns.	+ +				
24						
25		nse and p	provision for incom	e tax		
26	Places enter the nen wire energical amount as a resitive number the	m outom -	tically tracts all	ounto		
28	Please enter the non-wire operation's amount as a positive number, the program in the "non-wires elimination column" as negative values in TAXREC and TAXR		ucany treats an am	ounts		
29	·					
	Income:					
31	Energy Sales Distribution Revenue	+	28,696,538 8,769,204		28,696,538 8,769,204	
33	Other Income	+	1,556,342		1,556,342	
34	Miscellaneous income	+	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		0	
35		+			0	
36 37	Revenue should be entered above this line					
	Costs and Expenses:					
39	Cost of energy purchased	-	28,696,538		28,696,538	
40	Administration	-	1,371,699		1,371,699	
41 42	Customer billing and collecting	-	1,162,754 2,578,870		1,162,754	
43	Operations and maintenance Amortization	-	2,578,870		2,578,870 2,059,539	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-			0	
46 47		-			0	
48		-			0	
49						
	Net Income Before Interest & Income Taxes EBIT	=	3,152,684	0	3,152,684	
51 52	Less: Interest expense for accounting purposes Provision for payments in lieu of income taxes	-	1,080,444 110,403		1,080,444 110,403	
53		=	1,961,837	0		
- 1	(The Net Income (loss) on the MoF column should equal to the net income (loss) per					
54 55	financial statements on Schedule 1 of the tax return.)					
	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:		410.10-	_	410.10-	
	Provision for income tax Federal large corporation tax	+	110,403	0	110,403	
	Depreciation & Amortization	+	2,059,539	0	2,059,539	
62	Employee benefit plans-accrued, not paid	+		0	0	
	Tax reserves - beginning of year	+	0		0	
	Reserves from financial statements- end of year Regulatory adjustments on which true-up may apply (see A66)	+	0	0	0	
	Items on which true-up does not apply "TAXREC 3"		1,468,164	0	1,468,164	
67	Material addition items from TAXREC 2	+	0	0	0	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69 70	Subtotal	1	3,638,106	0	3,638,106	
71			0,000,100		0,000,100	
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78 79		+			0	
80	Total Other Additions	=	0	0	0	
81					_	
82	Total Additions	-	3,638,106	0	3,638,106	
83 84	Recap Material Additions:					
85	neoup material reduitions.		0	0	0	
86			0	0	0	
87			0		0	
			()	()	()	ì
88			0			

	A	В	С	D	Е	F
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
1	(Halton Hills Version per Board Decision in EB-2008-0381)				•	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5		0	Return		Version 2009.1	
91			0	0	0	ı
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						
	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	1,804,659		1,804,659	
	Cumulative eligible capital deduction	-	34,515		34,515	
99 100	Employee benefit plans-paid amounts Items capitalized for regulatory purposes	-			0	
101					0	
102		-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105		-	0	0	0	
	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-	0.407.504	0	0 407 504	
	Items on which true-up does not apply "TAXREC 3"		3,127,501	0	3,127,501	
	Interest capitalized for accounting deducted for tax	-	0	0	0	
	Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112	Other deduction items (not Material) from TAXREC 2	-	U	U	U	
113	Subtotal	=	4,966,675	0	4,966,675	
114	Other deductions (Please explain the nature of the deductions)		, ,		,,	
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119 120	Total Other Deductions	-	0	0	0	
121	Total Other Deductions	=	U	U	U	
122	Total Deductions	=	4,966,675	0	4,966,675	
123			,,,,,,,,,,,		1,000,010	
	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127 128			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						
	TAXABLE INCOME	=	633,268	0	633,268	
	DEDUCT:		200 000		000.000	
136 137	Non-capital loss applied positive number Net capital loss applied positive number	-	633,268		633,268	
138	νοι σαριται 1055 αρριτσα ροδιτίνα παιτίσαι	-			0	
	NET TAXABLE INCOME	=	0	0	0	
140						
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	0		0	
	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145 146	Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	-	0	0	0	
147	TOTAL INCOME TAX	=	U	U	U	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
			12.50%	-	12.50%	
151	Blended Income Tax Rate		38.62%	********	38.62%	
152						
	Section F: Income and Capital Taxes					
154 155	RECAP					
	Total Income Taxes	+	0	0	0	
	Ontario Capital Tax	+	98,667	U	98,667	
	Federal Large Corporations Tax	+	67,474		67,474	
159						
160	Total income and capital taxes	=	166,141	0	166,141	
161						

	A	В	С	D	Е	F
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-				,	
1	2008-0381)					
3	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
4	For MoF Column of TAXCALC (for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
5	(IOI WITES-OTHY DUSTITIESS - SEE S. 12 OLD ACT)		Retuin		Version 2009.1	
6	-				Version 2000.1	
7	Utility Name: HALDIMAND COUNTY HYDR	O INC.				
8	Reporting period: January 2, 2002 to Dece		. 2002			
9						
10	TAX RESERVES					
11						
13	Beginning of Year:				0	
14	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	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19 20	Other - Please describe				0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	, , , , , , , , , , , , , , , , , , , ,					
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
27	Reserve for goods & services ss.20(1)(m) Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33	In a set Process have the large				0	
35	Insert line above this line Total (carry forward to the TAXREC worksheet)		0	0	0	
36	Total (carry forward to the TAXINEO WORKSheet)		0	0	U	
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:				0	
42					0	
	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
	Property taxes				0	
48	Other - Please describe Other - Please describe				0	
49	Outer - Piedse describe				0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54 55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
	Other - Please describe				0	
61	Indept line above this line				0	
63	Insert line above this line Total (carry forward to the TAXREC worksheet)		0	0	0	
64	Total (carry forward to the TAAREC WORKSHEEL)		U	U	U	
94			1			

	A	В	С	D	Е	F
1	Α		Ŭ	D	_	'
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-2008-0381)				·	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
5	(for "wires-only" business - see s. 72 OEB Act) RATEPAYERS ONLY		Tax Return		Return	
6	Shareholder-only Items should be shown on TAXREC 3		Return		Version 2009.1	
7	onarenoider-only items should be shown on TAXILO 3				VE131011 2003.1	
8	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: January 2, 2002 to December 31, 2002					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12						
13						
14 15	Section C: Reconciliation of accounting income to taxable income					
	Add:					
17		+			0	
	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+	0		0	
	Charitable donations (Only if it benefits ratepayers) Taxable capital gains	+			0	
22	i anabio oapitai gairio	+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+	0		0	
	Capital items expensed Debt issue expense	+	U		0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
	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	
	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39 40	Others Adulting a fallone contain in detail the mature of the items	+			0	
41	Other Additions: (please explain in detail the nature of the item)	+			0	
42		+			0	
43		+			0	
44		+			0	
45 46	Total Additions	+	0	0	0	
47	Total Additions	=	0	0	0	
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51 52			0	0	0	
53			0	0		
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	, and the same of	
58 59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64 65			0	0	0	
66			0	0	0	
67				0	0	
68			0	0	0	
69			0	0	0	
70 71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76 77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
	Total Additions		0	0	0	

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_	A	В	C	D	E	F
1	CHIPH MODE!					
2	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
_	(Halton Hills Version per Board Decision in EB-2008-0381)			Fr. 1. 11	_	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(it in the tim) the interest of the time time the time the time th		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7	THE REPORT OF THE PARTY OF THE					
8	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: January 2, 2002 to December 31, 2002					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12						
13						
80						
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	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	
89	Equity in income from subsidiary or affiliates	-			0	
	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	
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			· ·	0		

	A	В	С	D	Е	F
1	^	В	C	В	<u> </u>	-
	SIMPIL MODEL					
2	(Halton Hills Version per Board Decision in 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: HALDIMAND COUNTY HYDRO INC.				Version 2009.1	
9	•					
10						
11	Reporting period: January 2, 2002 to December 31, 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16						
17 18	Add:					
	Recapture of capital cost allowance	_			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property	+			0	
	Loss from joint ventures or partnerships	+			0	
	Deemed dividend income	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets	+	209,767		209,767	
	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+			0	
	Non-deductible meals	+			0	
	Non-deductible club dues	+			0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books				0	
	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 Changes in Regulatory Asset balances	+	1,197,579		0 1,197,579	
42	Changes in Regulatory Asset balances	+	1,197,579		1,197,379	
43	Other Additions: (please explain in detail the nature of the item)	+	60,818		60,818	
44	ethor radiations. (produce explain in detail the rations of the form)				20,010	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	1,468,164	0	1,468,164	
48						
	Deduct:					
50	CCA adjustments					
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	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	
57	Donations - amount deductible for tax purposes	-			0	
	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62 63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65	ontaino dapitai tax aujustinents to current or prior year	-			0	
	Changes in Regulatory Asset balances	-	3,127,501		3,127,501	
67		-	5,121,001		0,127,001	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69						
70	-	-			0	
71		-			0	
72	Total Badastlana an addah tima an	-	0.407.55		0 407 504	
73	Total Deductions on which true-up does not apply	=	3,127,501	0	3,127,501	
74 75						
10		1			1	

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-	A SIMPIL MODEL	В	С	D	Е	F	G	Н	1
	(Halton Hills Version per Bo	oard Decisi	on in EB-200	8-0381)					
	, resident per be			,					
1									
2	Corporate Tax Rates					Version 2009.1			
3	Exemptions, Deductions, o			O INIC					
	Utility Name: HALDIMA				002				
5	Reporting period: Jan	uary 2, 20	υ∠ το Dece	mber 31, 2	UU2				
7						Table 1			
8	Rates Used in 2002 RAM PI	Ls Applicat	tions for 2002	2					
	Income Range		0		200,001				
10 11	RAM 2002		to		to	>700,000			
	Income Tax Rate	Year	200,000		700,000				
	Proxy Tax Year	2002							
	Federal (Includes surtax)		13.12%		26.12%	26.12%			
15	and Ontario blended		6.00%		6.00%	12.50%			
16	Blended rate		19.12%		34.12%	38.62%			
17	Capital Tax Rate		0.2000/						
	LCT rate		0.300% 0.225%						
			1.12%						
	Ontario Capital Tax	MAX	5,000,000						
21	Exemption **	\$5MM	5,000,000						
	Federal Large	MAX	40.000.000						
22	Corporations Tax Exemption **	\$10MM	10,000,000						
	**Exemption amounts	must agra	e with the	Board-ann	roved 200	2 RAM PII s			
	filing	ast agit	,, with tile	zou.u-app	.5750 200	- Armi I ILS			
23	9								
24									
25	Eveneted Income Tours		and Caretted T	Fv		Table 2			
	Expected Income Tax Rates Income Range	s for 2002 a	nd Capital Ta	ax Exemption	200,001				
	Expected Rates		to		200,001 to	>700,000			
29		Year	200,000		700,000	,			
	Income Tax Rate								
	Current year	2002	40.400/		00.4004	00.4004			
33	Federal (Includes surtax) Ontario	2002 2002	13.12% 6.00%		26.12% 6.00%	26.12% 12.50%			
34	Blended rate	2002	19.12%		32.12%	38.62%			
35									
	Capital Tax Rate	2002	0.300%						
	LCT rate	2002	0.225%						
38	Surtax Ontario Capital Tax	2002 MAX	1.12%						
39	Exemption *** 2002	\$5MM	5,000,000						
	Federal Large								
	Corporations Tax	MAX \$10MM	10,000,000						
	Exemption *** 2002								
41	***Allocation of exemp		st comply v	vith the Bo	ard's insti	ructions			
42	regarding regulated ac	tivities.							
43						Table 3			
	Input Information from Utili	ty's Actual	2002 Tux Hot	urns	200 224				
45 46	Income Range		0 to		200,001 to	>700,000			
47		Year	200,000		700,000	×1 00,000			
	Income Tax Rate		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,,,,,,,,,				
49	Current year	2002							
50	Federal (Includes surtax)		13.12%		22.12%	26.12%		26.12%	0.00%
			6.00%		9.75%	12.50%		12.50%	0.00%
51	Ontario Plandad rate		19.12%		31.87%	38.62%		38.62%	0.00%
51 52	Ontario Blended rate								
51 52 53	Blended rate		0.300%						
51 52 53 54	Blended rate Capital Tax Rate		0.300% 0.225%						
51 52 53 54 55	Blended rate Capital Tax Rate LCT rate Surtax								
51 52 53 54 55 56	Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax	MAX	0.225% 1.12%						
51 52 53 54 55 56	Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	MAX \$5MM	0.225%						
51 52 53 54 55 56	Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large	\$5MM MAX	0.225% 1.12% 4,949,061						
51 52 53 54 55 56	Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax	\$5MM	0.225% 1.12%						
51 52 53 54 55 56	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	\$5MM MAX \$10MM	0.225% 1.12% 4,949,061 10,000,000	ocation cal	culations	in your			
51 52 53 54 55 56 57	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the	\$5MM MAX \$10MM actual ta	0.225% 1.12% 4,949,061 10,000,000 x return all			in your			
51 52 53 54 55 56 57	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	\$5MM MAX \$10MM actual ta	0.225% 1.12% 4,949,061 10,000,000 x return all			in your			

	Α	В	С	D	E	F	G	Н	I	J	K	L	M	Ν	0
	SIMPIL MODEL														
1	(Halton Hills Version per Board De	cision	in EB-2008-038	31)											
2	Analysis of PILs Tax Account 1562	:													
3	Utility Name: HALDIMAND CO	DUNT	Y HYDRO IN	C.											Version 2009.1
4	Reporting period: January 2	, 2002	2 to Decembe	er 3	1, 2002		Sign Conventi	on:	+ for increase;	- fc	or decrease				0
5					,										
6															
7															
	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		336,951		763,072		763,072		763,072		763,072		0
	Board-approved PILs tax proxy	+/-					· ·		·				· · ·		
12	from Decisions (1)		334,927		1,096,347										1,431,274
	PILs proxy from April 1, 2005 -														
13	input 9/12 of amount														0
	True-up Variance Adjustment Q4,	+/-													
	2001 (2)														0
	True-up Variance Adjustment	+/-													
15															0
	Deferral Account Variance														
	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
	Adjustment (5)										_				0
	Adjustments to reported prior years' variances (6)	+/-													0
		+/-		_							-		-		U
19	Carrying charges (7)	+/-	2,024		47,824										49,848
	PILs billed to (collected from)	-													
20	customers (8)		0		(718,050)				,						(718,050)
21			200.054		700.070		700.070		700.070		700 070		700.070		700.070
	Ending balance: # 1562		336,951		763,072		763,072		763,072		763,072		763,072		763,072
23															

Uncollected PILs

34 35

36 37

45

46 47

70

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

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

- (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
- (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
- (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
- (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 38 39 40 41 42 43 44 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
 - (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
 - The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet.
 49 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reco (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
 - The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (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.
- 54 55 56 (7) Carrying charges are calculated on a simple interest basis. 57 58
- (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. 61 62 63 64 65 67 The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus. (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- 71 72 73 74 75 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

	A	В	С	D	F
\vdash	SIMPIL MODEL	ь	C	Ь	Version 2009.1
1	(Halton Hills Version per Board Decision in EB-2008-0381)				200011
	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: HALDIMAND COUNTY HYDRO INC.			Colour Code	
4	Reporting period: January 1, 2003 to December 31, 2003	3		Input Cell	
5				Formula in Cell	
	Days in reporting period:	365	days		
	Total days in the calendar year:	365	days		
9	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	Υ	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
10	·				
	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	
10		OCT	V/NI		
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
	Please identify the % used to allocate the OCT and LCT exemptions in	OCT	Y/N	N 100%	
	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23	·	201			
24	Accounting Year End		Date	12-31-2003	
	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA				Income
	(FROM 1999 FINANCIAL STATEMENTS)				
30	USE BOARD-APPROVED AMOUNTS				
	Rate Base (wires-only)			33,509,753	
JZ	Common Equity Ratio (CER)			50.00%	
JT					
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,870,110	
TL	1999 return from RUD Sheet #7				4 557 675
77				1,557,675	1,557,675
	Total Incremental revenue			1,312,435	
46	Input: Board-approved dollar amounts phased-in Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2001 Amount allowed in 2002			437,478	437,478
49	Amount allowed in 2002 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	7.15				0
52 53	Total Regulatory Income			1	2,432,631
_	Equity			16,754,877	
55				. 5,7 5 4,57 7	
	Return at target ROE			1,655,382	
57					
	Debt			16,754,877	
59 60	Deemed interest amount in 100% of MARR			1,214,729	
61	Deemed interest diffound in 10070 of WAININ			1,214,729	
62	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
	Phase-in of interest - Year 2 (2002)			1,029,572	
65	((D43+D47+D48)/D41)*D61 Phase-in of interest - Year 3 (2003) and forward			4 000 570	
CC	Phase-in or interest - Year 3 (2003) and forward		I	1,029,572	
66 67 68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				

Т	٨	В	С	D	Е	F	G	Н
	A SIMPIL MODEL	ITEM	Initial	D	M of F	M of F	Tax	
1	(Halton Hills Version per Board Decision in EB-2008-0381)				-			
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
4	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				Variance K-C	Variance Explanation		_
5	(WHES-OHLY BUSINESS - SEE TAB TAXILEO))			K-O	Explanation	Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: January 1, 2003 to December 31, 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From TAXREC	—
12			\$		\$		\$	
13								
	I) CORPORATE INCOME TAXES							
15 16	Regulatory Net Income REGINFO E53	1	2,432,631		-536,240		1,896,391	—
17			2,402,001		000,240		1,000,001	
	BOOK TO TAX ADJUSTMENTS							
19	Additions:	_	4 000 000		000.070		0.454.400	
	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	2	1,863,832		290,276 0		2,154,108	—
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 26	Other Additions (See Tab entitled "TAXREC") "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			1,000		1,000	
29	Other Additions (not "Material") "TAXREC 2"	6	2::-		0		0	
30	Items on which true-up does not apply "TAXREC 3"	1	214,577		3,055,218		3,269,795	
31	Deductions: Input positive numbers							
	Capital Cost Allowance and CEC	7	1,903,327		-319,819		1,583,508	_
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 Interest Expense Deemed/ Incurred	10 11	1,029,572		0 40,670		1,070,242	
38	Tax reserves - end of year	4	1,029,572		40,070		1,070,242	
39	Reserves from financial statements - beginning of year	4			0		0	
	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans Interest capitalized for accounting but deducted for tax	3 11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")	- ''			U.		U	
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 Other Deductions (not "Material") "TAXREC 2"	12 12			0		0	
48	Items on which true-up does not apply "TAXREC 3"	12	34,503		2,368,475		2,402,978	_
49	Remo on which that ap accented apply 17500200		7,111		,,		, , , , ,	
50	TAXABLE INCOME/ (LOSS)		1,543,638		720,928	Before loss C/F	2,264,566	
51	DI ENDED INCOME TAY DATE						-	
52 53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%	_
54	1.42 - 1.4. Maioo Hogalatory Holli Fable 1, Actual Holli Fable 3	13	50.0276		-2.0000%		30.02 /0	_
55	REGULATORY INCOME TAX		596,153		70,066	Actual	666,219	
56		1						
57 58	Miscellaneous Tax Credits	14			5,361	Actual	5,361	
59	INICOCHIA ICOUS TAX OTCUILS	14		H	0,301	Actual	3,301	
60	Total Regulatory Income Tax		596,153		64,705	Actual	660,858	_
61								
62	III CARITAL TAYES						-	
64	II) CAPITAL TAXES	1		=				_
65	Ontario							
66	Base	15	33,509,753		4,006,160		37,515,913	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-51,035		4,948,965	
68 69	Taxable Capital	1	28,509,753		3,955,125		32,566,948	_
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	_
71								
72	Ontario Capital Tax	1	85,529	\sqcup	12,172		97,701	
73 74	Federal Large Corporations Tax	1						_
75	Base	18	33,509,753		5,458,103		38,967,856	_
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		23,509,753		5,458,103		28,967,856	
78 79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	_
80	Tan Nates - Negulatory, Table 1, Actual, Table 3	20	0.2230%		0.0000%		0.223076	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		52,897		12,281		65,178	
82	Less: Federal Surtax 1.12% x Taxable Income	21	17,289		-17,289		0	
83	Net LCT	1	35,608		29,569		65,178	
04	INGLEO I	1	30,008		29,569		00,178	_

	A	В	С	D	Е	F	G	Н
\vdash	SIMPIL MODEL	ITEM	Initial	U	M of F	M of F	Tax	П
1	(Halton Hills Version per Board Decision in EB-2008-0381)	II EIVI	initiai		IVI OI F	IVI OI F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)		Lotimato		Variance	Variance	rectario	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: January 1, 2003 to December 31, 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								
86	III) INCLUSION IN RATES							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89	income Tax Rate used for gross- up (exclude surfax)		37.30%					
	Income Tax (proxy tax is grossed-up)	22	953,845			Actual 2003	660,858	
	LCT (proxy tax is grossed-up)	23	56,973			Actual 2003	41,396	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	85,529			Actual 2003	97,701	
93								
94					-	<u> </u>		
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	1,096,347			Actual 2003	799,955	
96	RAM DECISION							
97								
98								
	IV) FUTURE TRUE-UPS				55"(55)			_
	IV a) Calculation of the True-up Variance				DR/(CR)			_
	In Additions:						1	
	Employee Benefit Plans - Accrued, Not Paid	3			0			
	Tax reserves deducted in prior year Reserves from financial statements-end of year	4			0			_
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			1,000			
	In Deductions - positive numbers	-			.,			
	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
	Tax reserves claimed in current year	4			0			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans	3			0			_
	Contributions to pension plans Other deductions "Material" Items TAXREC	3 12			0			-
	Other deductions "Material" Item TAXREC 2	12			0			
119	Outer deductions infational from 17 Vitte 0 2	12			O			
120	Total TRUE-UPS before tax effect	26		=	1,000			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			х	36.62%			
123				Ш				
124	Income Tax Effect on True-up adjustments			=	366			
125	Land Mindelland and Tay One 19						1	
126 127	Less: Miscellaneous Tax Credits	14			5,361		+	
	Total Income Tax on True-ups				-4.995		1	
120	Total Income Tax Off True-ups				-4,995		+	
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131	The second section of the second section of the second sec				00.0070			
	TRUE-UP VARIANCE ADJUSTMENT				-7,744			
133						-		
	IV b) Calculation of the Deferral Account Variance caused by					·		
134	changes in legislation							
135								
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial					·		
136	estimate column)			=	1,543,638			
137	DEVICED CORPORATE INCOME TAY SATE							_
138	REVISED CORPORATE INCOME TAX RATE			Х	36.62%			
139 140	REVISED REGULATORY INCOME TAX				565,280		+	-
141	NEVIOLD NEGULATURT INCOME TAX			=	202,∠80		1	
142	Less: Revised Miscellaneous Tax Credits			 	5,361			
143	2000. No 11000 Millioodia Fax Orodita				0,001		†	
144	Total Revised Regulatory Income Tax			=	559,919			
145	<u> </u>						<u> </u>	
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell							
	C58)			-	596,153			
147								
148	Regulatory Income Tax Variance			=	-36,234			
149							1	

_	Α	-		151	-			
Ш	A SIMPIL MODEL	В	C	D	E	F Mark F	G	Н
1		ITEM	Initial		M of F	M of F	Tax	
	(Halton Hills Version per Board Decision in EB-2008-0381) PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)		Estillate		Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	(Wiles-only business - see Tab TAXILEO)				11-0	Explanation	Version 2009.1	
	Utility Name: HALDIMAND COUNTY HYDRO INC.						Version 2009.1	
7	Reporting period: January 1, 2003 to December 31, 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								
	Ontario Capital Tax				00 500 750			
	Base			=	33,509,753			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39				5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154 155	Rate - Tab Tax Rates cell C54			· ·	0.3000%			
156	Rate - Tab Tax Rates cell C54			Х	0.3000%			
	Revised Ontario Capital Tax			$+_{-}$	85,529		+	
13/	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			=	85,529		+	
158	12000. Ornano Capital Tax reported in the littlal estimate column (Cell C70)				85,529			
159	Regulatory Ontario Capital Tax Variance			=	00,029		+	
160	ntogulatory Ontano Oapital Tax valiante			+-	- 0			
	Federal LCT							
162	Base				33,509,753		1	
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000		1	
164	Revised Federal LCT			=	23,509,753			
165	TOTIONAL POLICE				20,000,100			
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				52,897			
169	Less: Federal surtax			-	17,289			
170	Revised Net LCT			=	35,608			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	35,608			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	-56,176			
	LCT (grossed-up)			+	0			
	Ontario Capital Tax			+	0			
180					50.470			
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-56,176			
182	TRUE UR VARIANCE (C				7744			
	TRUE-UP VARIANCE (from cell l132)			+	-7,744			
184	Total Deferral Account Entry (Besitive Entry Dekit)				20.055			
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-63,920		_	
186	(Deferral Account Variance + True-up Variance)			+			1	
187								
188				+				-
189	W INTEREST BORTION OF TRUE UP			+			1	
	V) INTEREST PORTION OF TRUE-UP			+			+	
400	Variance Caused By Phase-in of Deemed Debt							
192	Total deemed interest (REGINFO)			-	1,214,729			
	Interest phased-in (Cell C36)			+ +	1,214,729		+	
195	III.CICS. PHASEU-III (CEII CSO)				1,028,372			
	Variance due to phase-in of debt component of MARR in rates				185,156			
197	according to the Board's decision				100,100			
198	according to the board's decision							
	Other Interest Variances (i.e. Borrowing Levels			+				
200	Above Deemed Debt per Rate Handbook)							
	Interest deducted on MoF filing (Cell K36+K41)				1,070,242			
202	Total deemed interest (REGINFO CELL D60)				1,214,729			
203					,,.20			
204	Variance caused by excess debt				0			
205								
	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
	Total Interest Variance				185,156			
209								
210								
211								
_			-			-		

32 Distribution Revenue				_	_		
In Halton Hills Version per Board Decision in BB-2009-0381) TAX RETURN RECONCILATION (TAXREC) TAX RETURN RECONCILATION (TAXREC) TAX Return Tax Tax Return Tax	_	<u> </u>					F
Tax Return RECONCILATION (TAXREC) Tax Return Re	1		LINE	WIOTF	Non-wires	wires-only	
8 Section A: Identification: 9 Section A: Identification: 10 Section A: Identification: 11 Taxation Year's start date: 11 Taxation Year's start date: 11 Taxation Year's start date: 12 Section B: First Start date: 13 Plasas enter the Materiality Level: 14 (0.25% K start Sase x SEE) 15 (0.25% K start Sase x SEE) 16 (0.25% K start Sase x SEE) 17 (0.25% K start Sase x SEE) 18 (0.25% K start Sase x SEE) 19 Crother measure (please provide the basis of the amount) 10 Dose the utility carry on non-wires related operation? 11 Dose the utility carry on non-wires related operation? 12 Section B: Financial statements data: 13 Plasas enter the materiality Level: 14 Section B: Financial statements data: 15 Plasas enter the materiality Section B: Financial statements data: 16 Plasas enter the non-wire operation's amount as a positive number, the procuma automatically reasts all amounts: 17 Textuded plases charge the descriptions except in amounts as a positive number, the procuma automatically reasts all amounts: 18 In the non-wires similarity or complete in the completion of the income tax 19 Textuded plases charge the descriptions except in amount as a positive number, the procuma automatically reasts all amounts: 19 Textuded plases charge the descriptions except in amount as a positive number, the procuma automatically reasts all amounts: 10 Incomes: 11 Energy Sales: 11 Energy Sales: 11 Energy Sales: 12 Descriptions Revenue: 13 Energy Sales: 14 Textuded planes in the state of the security of the security purchased: 15 Energy Sales: 16 Energy Sales: 17 Energy Sales: 18 Energy Sales: 19 Cost of energy purchased: 19 Cost of energy purchased: 10 Cost and Expenses: 19 Cost of energy purchased: 10 Cost of the security purchased: 11 (100.05.05) 10 Energy Sales: 11 (100.05.05) 11 (100.05.05	_			Corporate	Eliminations	Tax	
Section A: Identification: Wersion 2009.1						Return	
Section A: Identification: Villity Name: HAL DIMAND COUNTY HYDRO INC.		0		Return			
The interval of the interval	_	Section A: Identification:				Version 2009.1	
Section B: Financial statements data:							
1 Taxation Year's end date:							
10 Texation Year's end date:							
13 Please enter the Materiality Level :							
13 Plasse enter the Materiality Level :		Number of days in taxation year:		365	days		
14. (0.25% x Rate Base x CER)							
15 0.25% x Net Assets			V/NI	U	< - enter materiality	/ level	
To cost ber intility carry on non-wires related operation? T/N							
18 Please complete the questionnaire in the Background questionnaire worksheet.	16	Or other measure (please provide the basis of the amount)					
19							
20 Nete: Carry forward Wires-only Data to Tab *TAXCALC* Column K		(Please complete the questionnaire in the Background questionnaire wo	rkshee	t.)			
23 Section B: Financial statements data:		Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
23 Input unconsolidated financial statement data submitted with Tax returns.		Title Carry for Mara Prince City Bala to Fab 17 17 107 120 Condition 1					
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							
28			nense a	nd provision for inc	ome tax		
18	26			•			
29				omatically treats all	amounts		
10		in the "non-wires elimination column" as negative values in TAXREC and TAX	(REC2.				
17.056.486		Income:					
Distribution Revenue			+	17,056,486		17,056,486	
Miscellaneous income			+			7,226,884	
35 Revenue should be entered above this line				1,463,463		1,463,463	
Sevenue should be entered above this line		Miscellaneous income				0	
37		Revenue should be entered above this line	+			U	
39 Cost of energy purchased - 17,056,486 17,056,486 40 Administration - 1,314,005 1,314,005 1,314,005 1,314,005 1,314,005 1,314,005 1,314,005 1,008,436		Trovaldo silodia do silicida adovo tino inio					
Administration							
1			-			17,056,486	
42 Operations and maintenance			-				
Amortization			-				
45 Reg Asset movement	43					2,154,108	
46 -						0	
48		Reg Asset movement		0		0	
48 -						0	
50 Net Income Before Interest & Income Taxes EBIT	48		-			0	
51 Less: Interest expense for accounting purposes - 1,070,242 1,070,245 1,070,							
52 Provision for payments in lieu of income taxes -					0		
Solution Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation of accounting income to taxable income Section C: Reconciliation accounting income to taxable income Section C: Reconciliation Sectio			_				
54 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:					0	91,149	
55 56 56 56 56 56 56 56							
56 Section C: Reconciliation of accounting income to taxable income 57 From 72 Schedule 1 58 BOOK TO TAX ADDITIONS: 59 Provision for income tax 60 Federal large corporation tax 61 Depreciation & Amortization 62 Employee benefit plans-accrued, not paid 63 Tax reserves - beginning of year 64 Reserves from financial statements- end of year 65 Regulatory adjustments on which true-up may apply (see A66) 66 Items on which true-up does not apply "TAXREC 3" 67 Material addition items from TAXREC 2 + 68 Other addition items (not Material) from TAXREC 2 + 69 Subtotal 6,159,903 70 Subtotal 6,159,903 71 Cother Additions: (Please explain the nature of the additions) 73 Recapture of CCA		financial statements on Schedule 1 of the tax return.)					
57 From T2 Schedule 1		Section C: Reconciliation of accounting income to taxable income					
59 Provision for income tax +							
60 Federal large corporation tax							
61 Depreciation & Amortization + 2,154,108 0 2,154,106 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" 3,269,795 0 3,269,795 67 Material addition items from TAXREC 2 + 1,000 0 1,000 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 70 Subtotal 6,159,903 0 6,159,905 71 C Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA				735,000	0	735,000	
62 Employee benefit plans-accrued, not paid				2 154 108	0	2 154 108	
63 Tax reserves - beginning of year				2,104,100		2,154,108	
65 Regulatory adjustments on which true-up may apply (see A66) + 3,269,795	63	Tax reserves - beginning of year	+		0	0	
66 Items on which true-up does not apply "TAXREC 3" 3,269,795 0 3,269,795 67 Material addition items from TAXREC 2 + 1,000 0 1,000 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69 70 Subtotal 6,159,903 0 6,159,903 71 72 Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA +				0	0	0	
67 Material addition items from TAXREC 2 + 1,000 0 1,000 68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69			+	3 260 705	0	0 3 269 795	
68 Other addition items (not Material) from TAXREC 2 + 0 0 0 69							
69 Subtotal 6,159,903 0 6,159,905 71 72 Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA +						0	
71 72 Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA +	69	,					
72 Other Additions: (Please explain the nature of the additions) 73 Recapture of CCA +		Subtotal		6,159,903	0	6,159,903	
73 Recapture of CCA +		Other Additions: (Please explain the nature of the additional					
			+			0	
74 Non-deductible meals and entertainment expense + +		Non-deductible meals and entertainment expense				0	
75 Capital items expensed +	75					0	
				0		0	
						0	
						0	
80 Total Other Additions = 0 0	80	Total Other Additions		0	0	0	
81							
82 Total Additions = 6,159,903 0 6,159,903 83	82	Total Additions	=	6,159,903	0	6,159,903	

SMPPL MODEL TANK ETURN RECONCLAUTION (TANKEC) TAX TA		A	В	С	D	Е	F
Infalian Hills Version per Board Decision in E8-209-081			_				Г
Tax	_	(Halton Hills Version per Board Decision in EB-2008-0381)				,	
A					Eliminations		
Record Material Additions:						Return	
Bit Company		0		Ketuiii		Version 2009.1	
B	84	Recap Material Additions:					
88							
88 99							
90 1 0 0 0 0 0 0 0 0							
1				0	0	0	
20							
30 Other additions (less than materiality level)		Total Other additions > materiality level					
94 Total Other Additions 95 ST Capital code allowance 96 BOOK TO TAX DEDUCTIONS: 97 Capital code allowance 98 Capital code allowance 99 Capital code allowance 90 Capital code allowance 90 Capital code allowance 90 Capital code allowance 90 Capital code allowance 91 Capital code							
Per DOK TO TAX DEDUCTIONS:				0	0	0	
1,551,409 1,551,409 32,099 32,0		DOOK TO TAY REPUBLICATIONS					
Section			_	1 551 400		1 551 //00	
100 International Content			-				
10 Regulatory adjustments :	99	Employee benefit plans-paid amounts	_			0	
102 CCA							
103 other deductions							
10 Tax reserves - end of year							
108 Contributions to deferred income plans		Tax reserves - end of year	_				
107 Contributions to pension plans 				0	0		
108 Interest capitalized for accounting deducted for tax							
109 Interest capitalized for accounting deducted for fax		•		2,402,978	0		
111 Other deduction items (not Material) from TAXREC 2	109	Interest capitalized for accounting deducted for tax				0	
113 Subtotal							
113 Other deductions (Please explain the nature of the deductions)		Other deduction items (not Material) from TAXREC 2	-	0	0	0	
114 Other deductions (Please explain the nature of the deductions)		Subtotal	=	3,986,486	0	3.986.486	
116 Gain on disposal of assets				0,000,		5,555,155	
117			-				
118		Gain on disposal of assets					
Total Other Deductions							
121			-				
Total Deductions		Total Other Deductions	=	0	0	0	
123 Recap Material Deductions:		Total Deductions	_	3 986 486	0	3 986 486	
125		Total Boddonono		0,000,100	<u> </u>	0,000,100	
126		Recap Material Deductions:					
127							
128							
Total Other Deductions exceed materiality level 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	128						
131 Other Deductions less than materiality level							
132 Total Other Deductions							
133							
135 DEDUCT:	133						
136 Non-capital loss applied positive number - 141,243 141,243 137 Net capital loss applied positive number - 8,264 8,264 0 138 NET TAXABLE INCOME = 2,115,059 0 2,115,059 140			=	2,264,566	0	2,264,566	
137 Net capital loss applied positive number - 8,264 8,264 138 0 0 139 NET TAXABLE INCOME = 2,115,059 0 2,115,059 140			_	141 243		141 2/13	
138							
140	138			·		0	
141 FROM ACTUAL TAX RETURNS		NET TAXABLE INCOME	=	2,115,059	0	2,115,059	
142 Net Federal Income Tax (Must agree with tax return) + 512,497 143 Net Ontario Income Tax (Must agree with tax return) + 153,722 153,722 144 Subtotal = 666,219 0 666,219 145 Less: Miscellaneous tax credits (Must agree with tax returns) - 5,361 5,361 146 Total Income Tax = 660,858 0 660,858 147 - - 660,858 0 660,858 148 FROM ACTUAL TAX RETURNS - - 24.12% 24.12% 149 Net Federal Income Tax Rate (Must agree with tax return) 24.12% 24.12% 24.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 12.50% 12.50% 12.50% 151 Blended Income Tax Rate 36.62% 36.62% 15.20% 15.20% 152 -<		FROM ACTUAL TAX RETURNS					
144 Subtotal	142	Net Federal Income Tax (Must agree with tax return)	+			512,497	
145 Less: Miscellaneous tax credits (Must agree with tax returns) -							
146 Total Income Tax = 660,858 0 660,858 147					0		
147					0		
149 Net Federal Income Tax Rate (Must agree with tax return) 24.12% 24.12% 150 Net Ontario Income Tax Rate (Must agree with tax return) 12.50% 12.50% 151 Blended Income Tax Rate 36.62% 152 36.62% 153 Section F: Income and Capital Taxes 154 55 155 RECAP 156 Total Income Taxes 0 157 Ontario Capital Tax + 158 Federal Large Corporations Tax + 159 41,396 150 Total income and capital taxes 160 Total income and capital taxes =	147						
150 Net Ontario Income Tax Rate (Must agree with tax return) 12.50% 12.50% 151 Blended Income Tax Rate 36.62% 36.62% 152				04.400/		04.400/	
151 Blended Income Tax Rate 36.62% 36.62% 152							
152							
154 660,858 155 RECAP 660,858 156 Total Income Taxes + 660,858 0 660,858 157 Ontario Capital Tax + 97,701 97,701 158 Federal Large Corporations Tax + 41,396 41,396 159 - 799,955 0 799,955	152						
155 RECAP 156 Total Income Taxes + 660,858 0 660,858 157 Ontario Capital Tax + 97,701 97,701 158 Federal Large Corporations Tax + 41,396 41,396 159 - - - - 160 Total income and capital taxes = 799,955 0 799,955		Section F: Income and Capital Taxes					
156 Total Income Taxes		RECAP					
157 Ontario Capital Tax + 97,701 97,701 158 Federal Large Corporations Tax + 41,396 41,396 159 - - - 160 Total income and capital taxes = 799,955 0 799,955			+	660,858	0	660,858	
159 160 Total income and capital taxes = 799,955 0 799,955	157	Ontario Capital Tax	+	97,701		97,701	
160 Total income and capital taxes = 799,955 0 799,955		Federal Large Corporations Tax	+	41,396		41,396	
		Total income and capital taxes	-	799 955	0	799 955	
				700,000		7 00,000	

Tax and Accounting Reserves	es-only Tax eturn on 2009.1	
3 For MoF Column of TAXCALC	0 0 0 0 0	
4 (for "wires-only" business - see s. 72 OEB Act) Return	0 0 0 0	
Versi	0 0 0 0	
Color	0 0 0 0	
Tutility Name: HALDIMAND COUNTY HYDRO INC.	0 0 0	
8 Reporting period: January 1, 2003 to December 31, 2003 9 10 TAX RESERVES 11 12 Beginning of Year: 13 14 Reserve for doubtful accounts ss. 20(1)(i) 15 Reserve for uppaid amounts ss. 20(1)(m) 16 Reserve for uppaid amounts ss. 20(1)(m) 17 Debt and share issue expenses ss. 20(1)(e) 18 Other - Please describe 20 21 22 Total (carry forward to the TAXREC worksheet) 22 Total (carry forward to the TAXREC worksheet) 23 24 End of Year: 25 26 Reserve for doubtful accounts ss. 20(1)(i) 27 Reserve for doubtful accounts ss. 20(1)(i) 28 Reserve for uppaid amounts ss. 20(1)(i) 29 Debt and share issue expenses ss. 20(1)(e) 30 Other - Please describe 31 Other - Please describe 32 33 Insert line above this line 35 Total (carry forward to the TAXREC worksheet) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0	
9 10	0 0 0	
TAX RESERVES	0 0 0	
11	0 0 0	
Beginning of Year:	0 0 0	
13	0 0 0	
14 Reserve for doubtful accounts ss. 20(1)(I) 15 Reserve for goods & services ss. 20(1)(m) 16 Reserve for unpaid amounts ss. 20(1)(m) 17 Debt and share issue expenses ss. 20(1)(e) 18 Other - Please describe	0 0 0	
15 Reserve for goods & services ss.20(1)(m)	0 0	
Reserve for unpaid amounts ss.20(1)(n) Debt and share issue expenses ss.20(1)(e) Debt and share issue expenses ss.20(1)(e) Debt and share issue expenses ss.20(1)(e) Debt and share issue expenses ss.20(1)(n) Debt and share issue expenses ss.20(1)(n) Debt and share issue expenses ss.20(1)(e) Debt and share issue ex	0	
17 Debt and share issue expenses ss.20(1)(e)	0	
18 Other - Please describe		
20 21	0	
21	0	
Total (carry forward to the TAXREC worksheet)	0	
23 24 End of Year:	0	
24 End of Year:	0	
25 26 Reserve for doubtful accounts ss. 20(1)(l) 27 Reserve for goods & services ss.20(1)(m) 28 Reserve for unpaid amounts ss.20(1)(n) 29 Debt and share issue expenses ss.20(1)(e) 30 Other - Please describe 31 Other - Please describe 32 33 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 41 41		
Reserve for doubtful accounts ss. 20(1)(I)	0	
27 Reserve for goods & services ss.20(1)(m) 28 Reserve for unpaid amounts ss.20(1)(n) 29 Debt and share issue expenses ss.20(1)(e) 30 Other - Please describe 31 Other - Please describe 32 33 34 Insert line above this line 35 Total (carry forward to the TAXREC worksheet) 0 36 37 38 FINANCIAL STATEMENT RESERVES 39 40 Beginning of Year:	0	
28 Reserve for unpaid amounts ss.20(1)(n) 29 Debt and share issue expenses ss.20(1)(e) 30 Other - Please describe 31 Other - Please describe 32 Insert line above this line 35 Total (carry forward to the TAXREC worksheet) 0 0 36 Insert line above this line 0 0 37 Insert line above this line 0 0 38 FINANCIAL STATEMENT RESERVES 0 0 39 Beginning of Year: 0 0	0	
29 Debt and share issue expenses ss.20(1)(e)	0	
30 Other - Please describe	0	
31 Other - Please describe	0	
33	0	
34 Insert line above this line	0	
35 Total (carry forward to the TAXREC worksheet) 0 0 0	0	
36		
37 38 FINANCIAL STATEMENT RESERVES 39 40 Beginning of Year:	0	
38 FINANCIAL STATEMENT RESERVES 39 40 Beginning of Year:		
39 40 Beginning of Year: 41		
40 Beginning of Year:		
41		
42	0	
42	0	
43 Environmental	0	
44 Allowance for doubtful accounts	0	
45 Inventory obsolescence	0	
46 Property taxes	0	
47 Other - Please describe 48 Other - Please describe	0	
49 Other - Please describe	0	
50 Total (carry forward to the TAXREC worksheet) 0 0		
51	n	
52 End of Year:	0	
53	0	
54	0	
55 Environmental	0	
56 Allowance for doubtful accounts	0 0 0	
57 Inventory obsolescence	0 0 0	
58 Property taxes 59 Other - Please describe	0 0 0 0	
60 Other - Please describe	0 0 0 0 0	
61 61	0 0 0 0 0	
62 Insert line above this line	0 0 0 0 0	
63 Total (carry forward to the TAXREC worksheet) 0 0	0 0 0 0 0	
64	0 0 0 0 0	

	A	В	С	D	Е	F
1	,		Ü			
2	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4 5	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
	RATEPAYERS ONLY Shareholder-only Items should be shown on TAXREC 3		Retuin		Version 2009.1	
7						
8	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: January 1, 2003 to December 31, 2003					
	Number of days in taxation year:		365			
11	Materiality Level:		0			
13						
14						
15 16	Section C: Reconciliation of accounting income to taxable income Add:					
17	Add.	+			0	
	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers) Taxable capital gains	+	0		0	
	Loss for tax purposes - joint ventures or partnerships	+	0		0	
23	Scientific research expenditures deducted	+			0	
24 25	per financial statements Conitelized interest	+			0	
	Capitalized interest Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29 30	Financing fees deducted in books Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
34 35	Write down of capital property Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39 40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Ontario Specified Tax Credits	+	1,000		1,000	
42		+			0	
43		+			0	
45		+			0	
46	Total Additions	=	1,000	0	1,000	
47 48	Recap of Material Additions:					
49	Recap of Material Additions.		0	0	0	
50			0	0	0	
51			0	0		
52 53	Taxable capital gains		0	0		
54	Loss for tax purposes - joint ventures or partnerships		0	0	0	
55			0	0	0	
56 57			0	0	0	
58			0	0	0	
59			0	0	0	
60 61			0	0		
62			0	0		
63			0	0	0	
64			0	0		
65 66			0	0	0	
67			0	0	0	
68	-		0	0	0	
69 70			0	0	0	
71			0	0	0	
72	Ontario Specified Tax Credits		1,000	0	1,000	
73			0	0		
74 75			0	0	0	
76			0	0		
77	Total Material additions		1,000	0	1,000	
78	Other additions less than materiality level		0	0		
79	Total Additions		1,000	0	1,000	

_	Δ.	T 5 1	0	5	-	_
<u> </u>	A	В	С	D	E	F
1						
_	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
2	(Halton Hills Version per Board Decision in EB-2008-0381)				_	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
5	(for "wires-only" business - see s. 72 OEB Act)	-	Tax		Return	
6	RATEPAYERS ONLY	-	Return		V 0000 4	
7	Shareholder-only Items should be shown on TAXREC 3	-			Version 2009.1	
_	HARRIE NOME HALDINAND COUNTY HYDRO INC					
8	Utility Name: HALDIMAND COUNTY HYDRO INC.					
9	Reporting period: January 1, 2003 to December 31, 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	0		0	
83	Dividends not taxable under section 83	-			0	
	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	
	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	
93		-			0	
93		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	+-			0	
96	Non-taxable load transfers	1 -	0		0	
97	Non-taxable load translers	1	U		0	
98					0	
99	Total Deductions	=	0	0	0	
100	Total Deductions	_	o o		O	
101	Recap of Material Deductions:					
102	Treedy of Material Deductions.		0	0	0	
103			0	0	0	
104			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		
117			0	0		
118			0	0		
	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	В	С	D	E	F
1	Α	Ь	C	D		Г
Ė	SIMPIL MODEL					
2	(Halton Hills Version per Board Decision in 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: HALDIMAND COUNTY HYDRO INC.				Version 2009.1	
9						
11	Reporting period: January 1, 2003 to December 31, 2003					
12	Number of days in taxation year:		365			
13	Training of auto in taxation your		000			
14						
15						
16						
17 18	Add:					
	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 Loss from joint ventures or partnerships	+	6,960		6,960	
25	Loss from joint ventures or partnerships Deemed dividend income	+	6,960		6,960	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	28,367		28,367	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments Dividends credited to investment account	+			0	
31	Non-deductible meals	+			0	
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 Imputed interest expense on Regulatory Assets				0	
39	imputed interest expense on Regulatory Assets	+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+	3,234,468		3,234,468	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44 45	Bad debts - pre-October 1, 2001 Denied	+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	3,269,795	0	3,269,795	
48						
49	Deduct:					
50	CCA adjustments					
51 52	CCA adjustments CEC adjustments	-			0	
53		-			0	
54	Gain on disposal of assets per financial statements	-	58,400		58,400	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	,	-			0	
	Donations - amount deductible for tax purposes	-			0	
58 59	Income from joint ventures or partnerships	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65 66	Changes in Regulatory Asset balances	-	2,344,578		2,344,578	
67	Similar in trogulatory ricort balances	-	2,044,070		2,344,370	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70		-			0	
71 72		-			0	
73	Total Deductions on which true-up does not apply	-	2,402,978	0	2,402,978	
74		-	2,402,070		2,402,010	
75						

		-								
Н	A SIMBIL MODEL	В	С	D	Е	F	G	Н		
	SIMPIL MODEL (Halton Hills Version per Bo	ard Decision	on in FR-200	8-0381\						
1	•	Jara Decisio	J LD-200	0001)		/! 000				
	Corporate Tax Rates Exemptions, Deductions, o	r Thresheld	le		V	ersion 2009.1	ı			
4	Utility Name: HALDIMA			O INC.						
	Reporting period: Jan				003					
6	porting period. Jan	i, 20	Dece							
7						Table 1				
	Rates Used in 2002 RAM PI	Ls Applicat		2						
	Income Range		0		200,001	. 700000				
10	RAM 2002	Year	to 200,000		to 700,000	>700000				
	Income Tax Rate	ı eai	200,000		700,000					
	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%	26.12%				
-	and Ontario blended		6.00%		6.00%	12.50%				
16 17	Blended rate		19.12%		34.12%	38.62%				
	Capital Tax Rate		0.300%							
	LCT rate		0.300%							
	Surtax		1.12%							
	Ontario Capital Tax	MAX	5,000,000							
	Exemption **	\$5MM	5,005,000							
	Federal Large Corporations Tax	MAX	10,000,000							
22	Exemption **	\$10MM	10,000,000							
Ħ	**Exemption amounts	must agre	e with the	Board-app	roved 200	2 RAM				
	PILs filing			PP	,					
23	÷g									
24						Table 0				
25 26	Expected Income Tax Rates	s for 2003 a	nd Canital T	ax Exemption	s for 2002	Table 2				
	Income Range	2003 d	0	LACITIPUOI	200,001					
28	Expected Rates		to		to	>700000				
29		Year	200,000		700,000					
	Income Tax Rate	2000								
	Current year Federal (Includes surtax)	2003 2003	13.12%			24.12%				
	Ontario	2003	6.00%			12.50%				
34	Blended rate	2003	19.12%		34.12%	36.62%				
35										
	Capital Tax Rate	2003	0.300%							
	LCT rate	2003	0.225%							
50	Surtax Ontario Capital Tax	2003 MAX	1.12%							
39	Exemption *** 2003	\$5MM	5,000,000							
	Federal Large	MAX								
4.	Corporations Tax	\$10MM	10,000,000							
40	Exemption *** 2003	•	4	dale ale e P	andla locat					
41	***Allocation of exemp		st comply v	vith the Bo	ard's insti	ructions				
42	regarding regulated ac	tivities.								
43	learned landers and the second	ode A. C. C.				Table 3				
	Input Information from Utili Income Range	ty's Actual		urns	200,001					
46	income range		0 to		200,001 to	>700,000				
47		Year	200,000		700,000	,				
	Income Tax Rate									
	Current year	2003							_	
	Federal (Includes surtax)		13.12%		0.00%	24.12%		24.12%	0.00	
52	Ontario Blended rate		6.00% 19.12%		0.00%	12.50% 36.62%		12.50% 36.62%	0.00	
53	Dienueu rate		13.1270		0.0076	30.0270		30.0276	0.00	/0
-	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
[Ontario Capital Tax	MAX	4,948,965							
٦/	Exemption * Federal Large	\$5MM								
	Corporations Tax	MAX	10,000,000							
58	Exemption *	\$10MM	1,130,000							
59	* Include copies of the	actual ta	x return all	ocation cal	culations	in your				
	submission: Ontario C	T23 page	11; federa	I T2 Sched	ule 36	•				
60 61										
VΙ										

	A	В	С	D	E	F	G	Η	I	J	K	L	М	Ν	0
Ī	SIMPIL MODEL														
1	(Halton Hills Version per Boa	rd De	cision in EB-200	0-80	381)										
2	Analysis of PILs Tax Account	1562	:												
3	Utility Name: HALDIMAN	D C	OUNTY HYDR	O I	NC.										Version 2009.1
4	Reporting period: Janua	ary 1	2003 to Dec	em	ber 31, 2003		Sign Conventi	on:	+ for increase;	- fc	or decrease				0
5					,										
6															
7															
	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		336,951		763,072		812,552		812,552		812,552		0
	Board-approved PILs tax	+/-					·		,		· ·		·		
12	proxy from Decisions (1)		334,927		1,096,347		1,431,274								2,862,548
	PILs proxy from April 1,														
13	2005 - input 9/12 of amount														0
	True-up Variance	+/-													
	Adjustment Q4, 2001 (2)														0
	True-up Variance	+/-													
	Adjustment (3)						0								0
	Deferral Account Variance														_
	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance Adjustment (5)	+/-													
	•	+/-					0				_		_		0
	Adjustments to reported prior years' variances (6)	+/-													0
		+/-									-		_		O
19	Carrying charges (7)	.,,	2,024		47,824		50,336								100,184
	PILs billed to (collected	-													
	from) customers (8)		0		(718,050)		(1,432,130)								(2,150,180)
21			000.054		700.070		040.550		040.550		040.550		040.550		040.550
	Ending balance: # 1562		336,951		763,072		812,552		812,552		812,552		812,552		812,552
23															

Uncollected PILs

34

35

36 37

38

39

52

64

68

70 71

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

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. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 40 41 42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 43 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005
- 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.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (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.
- 56 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for C4, 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 59 60 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. 61 62 63 The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
- (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; 65 67 plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4. for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
 - (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

	A	В	С	D	E
	SIMPIL MODEL				Version 2009.1
	(Halton Hills Version per Board Decision in EB-2008-0381)				
	REGULATORY INFORMATION (REGINFO) Utility Name: HALDIMAND COUNTY HYDRO INC.			Colour Code	
-	Reporting period: January 1, 2004 to December 31, 2004			Input Cell	
5	Reporting period. January 1, 2004 to December 31, 2004			Formula in Cell	
	Days in reporting period:	366	days	l omidia in cen	
	Total days in the calendar year:	366	days		
8	DACKODOLIND				
	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	Υ	
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)				
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
	shared among the corporate group?	LCT	Y/N	N 1999/	
	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT LCT		100% 100%	
23	·	LCT			
20	Accounting Year End		Date	12-31-2004	
	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)				Income
	USE BOARD-APPROVED AMOUNTS				
30					
	Rate Base (wires-only)			33,509,753	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
1 0	Market Adjusted Revenue Requirement			2,870,110	
74					4 557 075
÷	1999 return from RUD Sheet #7			1,557,675	1,557,675
	Total Incremental revenue			1,312,435	
46 47	Input: Board-approved dollar amounts phased-in Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50 51	unless authorized by the Minister and the Board)			-	0
52	Total Regulatory Income				2.432.631
53					2,102,301
	Equity			16,754,877	
55 56	Return at target ROE			1,655,382	
57	Noturn at target NOL			1,000,382	
58	Debt			16,754,877	
59	Decreed interest annual in 4000/ attaches	·		4.044.===	
60 61	Deemed interest amount in 100% of MARR			1,214,729	
	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
	Phase-in of interest - Year 2 (2002)			1,029,572	
65 66	((D43+D47+D48)/D41)*D61 Phase-in of interest - Year 3 (2003) and forward			1,029,572	
67	((D43+D47+D48)/D41)*D61 (due to Bill 210)			1,028,072	
68					
69					

Designation National Processing Services		A	В	С	D E	F	G H	П
	\vdash)						닉
TAX ACCUMATORS TRACES Versice	_							
Comparation Section Comparation Comp				Estimate			Returns	4
Description Proceedings Description								7
Reporting particle. Section Se						·	Version 2009.1	_
Dept in resorting period:								4
Description		Reporting period: January 1, 2004 to December 31, 2004					0-1	4
Total Care and the calendar year: 366 divs TARREC		Days in reporting period:	366	davs				1
S	10						From	
B GORPORATE INCOME TAKES								4
The Component Name Name Name Name Name Name Name Name				\$	\$		\$	ᅱ
1		I) CORPORATE INCOME TAXES						1
17								4
Tell DOCK TO TAX ADJUSTMENTS		Regulatory Net Income REGINFO E53	1	2,432,631	173,927		2,606,558	-
20		BOOK TO TAX ADJUSTMENTS						
Emergence Seneric Planes - Account Net Point 3								
22 Tax sessences - beginning of year				1,863,832				4
22 Reconverse from financial statements - end of year								刂
25 Other Additions (See Tab entitled "TAXREC"	23	Reserves from financial statements - end of year	4		0		0	
23 Malestari Items from TAXREC vonchaheat 6 0 0 0 0 0 0 0 0 0			5		0		0	4
27 Other Additions fort Makerial "TAXREC" 6 2,659 2,859 2,859 2,859 2,950 3,96			6		0		0	\dashv
2	27	Other Additions (not "Material") "TAXREC"	6		0		0	╛
Section Continuence Cont		"Material Items from "TAXREC 2" worksheet			2,659			4
27			6	21/1 577	3 752 226			\dashv
32 Deductions: Input positive numbers 1,864,197 34 Employee Benefit Plans - Paid Amounts 8 0 0 0 0 0 0 0 0 0		nems on which true-up does not apply TAXREC 3"		214,377	3,732,220		3,300,003	\dashv
33 Capital Cost Allowance and CEC	32							_
Some Capitalized for Requisitory Purposes 9	33	Capital Cost Allowance and CEC		1,903,327			, , , , ,	J
36 Requistory Adjustments - deduction for tax purposes in Item 5 10 1,029,672 -10,485 1,019,007 36 Tax reserves - end of year 4 0 0 0 0 0 0 0 0 0				0	-			-
17 1,029,572 -10,055 1,019,077 -10,055 -10,057 -10,057 -10,055 -10,077 -10,055 -10,077 -10,055 -10,057 -10,055 -10,057 -10,055 -10,057 -10,055 -10,057 -10,055 -10,057 -10,0				0				\dashv
19 Reserves from financial statements - beginning of year 4 0 0 0 0 0 0 0 0 0	37	Interest Expense Deemed/ Incurred	11	1,029,572	-10,495		1,019,077	
40 Contributions to deferred income plans 3								4
1 Contributions to pension plans 3 0 0 0 0 0 0 0 0 0								\dashv
A3 Other Deductions (See Tab entitled TAXRECT)								7
Material* Items from "TAXREC" worksheet 12			11		0		0	
15 Other Deductions (not "Material") "TAXREC" 12 0 0 0 0 0 0 0 0 0			10		0		0	4
Material Herns from TAXREC 2" worksheet 12								\dashv
Beliens on which true-up does not apply "TAXREC 3" 34,503 1,913,047 1,947,550 1,947,550 1,543,638 2,640,928 Belore loss C/F 4,184,566 51 52 BLENDED INCOME TAX RATE 53 Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 13 38,62% -2,5000% 36,12% 54 55 8 56 57 58 596,153 916,539 Actual 1,512,692 57 58 59 59 60 70 70 70 70 70 70 70	46	Material Items from "TAXREC 2" worksheet	12		0		0	
193 1,543,638 2,640,928 Before loss C/F 4,184,566 51 52 BLENDED INCOME TAX RATE			12	04.500	0			4
So TAXABLE INCOME/ (LOSS)		Items on which true-up does not apply "TAXREC 3"		34,503	1,913,047		1,947,550	-
State Stat		TAXABLE INCOME/ (LOSS)		1,543,638	2,640,928	Before loss C/F	4.184.566	\dashv
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 13 38.62% -2.5000% 38.12%	51	·						
State Stat			40	00.000/	0.50000/		00.400/	4
SEGULATORY INCOME TAX S96,153 916,539 Actual 1,512,692 S6 S7 S8 Miscellaneous Tax Credits 14 2,659 Actual 2,659 S9 S9 S9 S9 S9 S9 S9		Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	-2.5000%		36.12%	\dashv
ST	55	REGULATORY INCOME TAX		596,153	916,539	Actual	1,512,692	J
Second S			_					J
Total Regulatory Income Tax Factor		Miscellaneous Tay Credits	1/1		2 650	Δctual	2 650	\dashv
61		INIGODIA I DA OIGUILO	14		2,009	Actual	2,039	┪
62 63 CAPITAL TAXES 64 65 Ontario 68 Base 67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 5,000,000 -8,742 4,991,258 68 Taxable Capital 28,509,753 6,135,466 34,662,703 69 17 0,3000% 0,0000% 0,30		Total Regulatory Income Tax		596,153	913,880	Actual	1,510,033	I
63 CAPITAL TAXES								4
64 65 Ontario 66 Base 15 33,509,753 6,144,208 39,653,961 67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 5,000,000 -8,742 4,991,258 68 Taxable Capital 28,509,753 6,135,466 34,662,703 69 70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.0000% 0.3000% 71 10 10 10 10 10 10 10		II) CAPITAL TAXES		+				\dashv
66 Base	64							╛
67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 5,000,000 -8,742 4,991,258 68 Taxable Capital 28,509,753 6,135,466 34,662,703 70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.0000% 0.3000% 71 72 Ontario Capital Tax 85,529 18,459 103,988 73 73 74 Federal Large Corporations Tax 18 33,509,753 -16,364,957 17,144,796 76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 77 Taxable Capital 23,509,753 23,635,043 0 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000% 80 9 0.0250% -0.0250% 0.2000% 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 52,897 -52,897 -52,897 82 Less: Federal Surtax 1.12% x Taxable Income 21 17,289 -17,289 -17,289			45	00 500 750	0.444.555		20.050.004	4
68 Taxable Capital 28,509,753 6,135,466 34,662,703 69								\dashv
69 70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.0000% 0.3000% 72 Ontario Capital Tax 85,529 18,459 103,988 73 14 Federal Large Corporations Tax 75 18 33,509,753 -16,364,957 17,144,796 76 Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 77 Taxable Capital 23,509,753 23,635,043 0 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000% 80 80 0 0.2250% -52,897 -52,897 0 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 52,897 -52,897 0 82 Less: Federal Surtax 1.12% x Taxable Income 21 17,289 -17,289 0	68							╛
T2	69							4
T2		Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	\dashv
T3 Federal Large Corporations Tax	72	Ontario Capital Tax		85,529	18,459		103,988	Ⅎ
To Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 77 Taxable Capital 23,509,753 23,635,043 0 19 10,000,000 23,509,753 23,635,043 0 19 10,000,000 19 10,000,000 19 10,000,000 19 10,000,000	73							4
Taxable Capital Tax Rates - Regulatory, Table 1; Actual, Table 3 19 10,000,000 40,000,000 50,000,000 Taxable Capital 23,509,753 23,635,043 0 Taxable Capital 23,509,753 23,635,043 0 Taxable Capital 23,509,753 23,635,043 0 Taxable Capital 24,509,753			1Ω	22 500 752	46 264 057		17 144 706	\dashv
77 Taxable Capital 23,509,753 23,635,043 0 78 79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000% 80								\dashv
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.2250% -0.0250% 0.2000%	77							
80 81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 52,897 -52,897 0 82 Less: Federal Surtax 1.12% x Taxable Income 21 17,289 -17,289 0 83		Date Tay Dates Developer Table 4 A 1 LT U.S.		0.005061	0.00====		0.000001	\dashv
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 52,897 -52,897 0 82 Less: Federal Surtax 1.12% x Taxable Income 21 17,289 -17,289 0 83		кате - тах катеs - кедиатогу, Table 1; Actual, Table 3	20	0.2250%	-0.0250%		0.2000%	\dashv
82 Less: Federal Surtax 1.12% x Taxable Income 21 17,289 -17,289 0 83 </td <td></td> <td>Gross Amount of LCT before surtax offset (Taxable Capital x Rate)</td> <td></td> <td>52,897</td> <td>-52,897</td> <td></td> <td>0</td> <td>\exists</td>		Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		52,897	-52,897		0	\exists
			21				0	\Box
יוסטובר בטו אין דיס איין דיס אין דיס אין דיס אין דיס אין דיס אין דיס אין דיס איין דיס אין דיס אין דיס אין דיס		Not LCT		25 600	25.000		0	4
55		INGLEO I		30,008	-30,608		U	丨

	A	В	С	D	Е	F	G	Н
\vdash	SIMPIL MODEL	ITEM	Initial	U	M of F	M of F	Tax	П
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
4	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				Variance K-C	Variance Explanation		
5	(White only Business See Fas 1784(26)				N O	Explanation	Version 2009.1	
6	Utility Name: HALDIMAND COUNTY HYDRO INC.							
7	Reporting period: January 1, 2004 to December 31, 2004							
8							Column	
9 10	Days in reporting period: Total days in the calendar year:	366 366	days days				Brought From	
11	Total days III the calendar year.	300	uays				TAXREC	
12			\$		\$		\$	
13	W NO HOLD BY BATTO							
86	III) INCLUSION IN RATES							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89	•							
90		22	953,845 56,973			Actual 2004 Actual 2004	1,510,033	
92	LCT (proxy tax is grossed-up) Ontario Capital Tax (no gross-up since it is deductible)	23 24	85,529			Actual 2004 Actual 2004	103,988	
93								
94	T						4	
95 96	Total PILs for Rate Adjustment MUST AGREE WITH 2002 RAM DECISION	25	1,096,347			Actual 2004	1,614,021	
96	KAWI DECISION							
98								
	IV) FUTURE TRUE-UPS				DD/(27)			
	IV a) Calculation of the True-up Variance		<u> </u>		DR/(CR)			
	In Additions: Employee Benefit Plans - Accrued, Not Paid	3			0			
103		4			0			
	Reserves from financial statements-end of year	4			0			
	Regulatory Adjustments Other additions "Material" Items TAXREC	<u>5</u>			0			
107		6			2,659			
108	In Deductions - positive numbers				_,000			
	Employee Benefit Plans - Paid Amounts	8			0			
	Items Capitalized for Regulatory Purposes Regulatory Adjustments	9 10			0			
	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
113	Tax reserves claimed in current year	4			0			
114		4			0			
115		3			0			
117		12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119	Total TRUE-UPS before tax effect	26		_	2,659			
121	Total Troc of a before tax effect	20			2,000			
122	Income Tax Rate (includes surtax - no LCT) from 2004 Utility's tax return			х	36.12%			
123	Income Tay Effect on True un adjustments				000			
124 125	Income Tax Effect on True-up adjustments				960			
126	Less: Miscellaneous Tax Credits	14			2,659			
127								
128					-1,699		+	
130					35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT		-		-2,613			
133	IV b) Calculation of the Deferral Account Variance caused by							
134	changes in legislation							
135		-						
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial				1 510 555			
136	estimate column)			=	1,543,638			
138	REVISED CORPORATE INCOME TAX RATE			х	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	557,562			
141 142	Less: Revised Miscellaneous Tax Credits			_	2,659			
143					2,000			
144	Total Revised Regulatory Income Tax	-		=	554,903	-		
145	Local Population/ Income Tay reported in the Initial Estimate Column (Call		-					
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	596,153			
147								
148				=	-41,250			
149			I					

SAMPA KODEL More Face More Tax More More More Tax More More Tax More	_	Λ	Р		<u> </u>				
Description	\vdash	SIMPII MODEL	B	C	D	E M of E	F M of F	G	Н
Pills DEFERRAL AND VARIANCE ACCOUNTS	1		I I CIVI	шппа		IVI OI F	IVI OI F	ıax	i I
TAXACACUATONIS (TAXACAC)	_			Estimate		Filing	Filing	Returns	М
Utility Name: HALDIMAND COUNTY HYDRO INC.	3					Variance			
Description HALDIMAND COUNTY HYDRO INC.						K-C	Explanation		
Column								Version 2009.1	\vdash
Dept In reporting period: 366 days Brought Story									ш
Description Section		Reporting period: January 1, 2004 to December 31, 2004							
10 Total days in the calendar year.			000						\vdash
TANKEC S S S S S S S S S									\vdash
S S S S S S S S S S		Total days in the calendar year:	300	uays					\vdash
13				\$		\$			П
150 Base	13								
172 Jases Exemption from tab Tax Rates. Table 2, cell C39 - 8,000,000									
153 Revised Chemetal Capital									ш
Table									+
155 Revised Ontario Capital Tax		Revised deemed taxable capital			=	20,509,755			\vdash
TRAINING		Rate - Tab Tax Rates cell C54			x	0.3000%			\vdash
1. 1. 1. 1. 1. 1. 1. 1.									
168 Pequipation Charatric Capital Tax Variance	157			ļ -	=	85,529	-		
159 Requisitory Contario Capital Tax Variance	L	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				05.555			i I
160 Federal LCT 162 Base 165 Less Exemption from tab Tax Rates _ Table 2 _ cell C40		Pagulatory Optorio Capital Tay Variance				85,529			\vdash
163 Federal LCT 162 Base 33,509,753 163 Less; Exemption from tab Tax Rates, Table 2, cell C40 - 50,000,000 164 Revised Federal LCT = 1,640,0247 165 Revised Federal LCT = 1,640,0247 165 Revised Federal LCT = 1,640,0247 165 Revised Federal LCT		INEQUIATORY OFICIATIO CAPITAL LAX VALIANCE			=	U			\vdash
162 Base		Federal LCT		1					
16.4 Revised Federal LCT		Base							
165 Rate (as a result of legislative changes) lab Tax Rates' cell CS1									П
166 Rate (as a result of legislative changes) tab Tax Rates' cell C51		Revised Federal LCT			=	-16,490,247			Ш
168 Gross Amount		Poto (on a regult of logislative changes) tob 'Tay Potos' call CE1				0.20009/			+
188 Gross Amount		Rate (as a result of legislative changes) tab Tax Rates cell CST				0.2000%			\vdash
158 Less: Federal suttax		Gross Amount				0			
1772 Less. Federal LCT reported in the initial estimate column (Cell C82)					-	0			
172 Loss: Federal LCT reported in the initial estimate column (Cell C82) -		Revised Net LCT			=	0			
173 Regulatory Federal LCT Variance		Lease Federal I OT asserted in the initial action to solve (O-II 000)				05.000			\vdash
175									\vdash
175 Actual Income Tax Rate used for gross-up (includes surtax) 176 177 Income Tax (strossed-up) + -63.461		Regulatory Federal LCT Variance			_	-55,000			\vdash
177 Income Tax (grossed-up)		Actual Income Tax Rate used for gross-up (includes surtax)				35.00%			П
178 LCT (grossed-up)	176								
179 Ontario Capital Tax									ш
180									\vdash
BEFERRAL ACCOUNT VARIANCE ADJUSTMENT		Ontario Capital Tax				U			\vdash
183 TRUE-UP VARIANCE (from cell I132)		DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-120,435			\vdash
183						, , , , ,			
185 Total Deferral Account Entry (Positive Entry = Debit)		TRUE-UP VARIANCE (from cell l132)			+	-2,613			
188				1					$\boldsymbol{\longmapsto}$
188					=	-123,048			Ш
188		(Deterral Account Variance + True-up Variance)							\vdash
189 190 V INTEREST PORTION OF TRUE-UP					1				\vdash
190 V) INTEREST PORTION OF TRUE-UP 191 Variance Caused By Phase-in of Deemed Debt									П
192		V) INTEREST PORTION OF TRUE-UP							
194 Interest phased-in (Cell C36) 1,029,572 195 1,029,572 196 Variance due to phase-in of debt component of MARR in rates 185,156	191	Variance Caused By Phase-in of Deemed Debt							
194 Interest phased-in (Cell C36) 1,029,572 195 1,029,572 196 Variance due to phase-in of debt component of MARR in rates 185,156	192	T + 1 + 1 + (PEONEO)			1	404475			ш
195 196 Variance due to phase-in of debt component of MARR in rates 185,156 197 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 filling (Cell K36+K41) 1,019,077 202 Total deemed interest (REGINFO CELL D60) 1,214,729 203 204 Variance caused by excess debt 0 205 206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 0 207 208 208 209 210 2				1	1				\vdash
196 Variance due to phase-in of debt component of MARR in rates 185,156 197 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) 202 Total deemed interest (REGINFO CELL D60) 203 204 Variance caused by excess debt 205 206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 207 208 Total Interest Variance 209 210 210 210 210 210 210 218 218 219 210		iliterest phaseu-iii (Gell Gsu)			1 1	1,029,372			\vdash
197 according to the Board's decision		Variance due to phase-in of debt component of MARR in rates		1		185,156			П
199 Other Interest Variances (i.e. Borrowing Levels 200 Above Deemed Debt per Rate Handbook)	197								
200 Above Deemed Debt per Rate Handbook)					\bot				ш
201 Interest deducted on MoF filing (Cell K36+K41) 1,019,077				-	1				\vdash
202 Total deemed interest (REGINFO CELL D60) 1,214,729				1	1	1 019 077			\vdash
203 204 Variance caused by excess debt 0 0 205 206 102 207 208 208 209									
205 206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 0 207 1 208 Total Interest Variance 185,156 209 1 210 1									
206 Interest Adjustment for Tax Purposes (carry forward to Cell I112) 0 207 208 Total Interest Variance 185,156 209 210 210 208 210 21		Variance caused by excess debt				0	-		Ш
207 185,156 208 Total Interest Variance 185,156 209 210		Internal Advanture of Court of		-	1				\vdash
208 Total Interest Variance 185,156 209 210		Interest Adjustment for Tax Purposes (carry forward to Cell I112)		1	1 -	0			\vdash
209 210		Total Interest Variance			1 1	185.156			\vdash
210									
	210								
211	211								ш

$\overline{}$						
\blacksquare	A A	В	C	D Non wires	E Wires and	F
1	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)	LINE	M of F	Non-wires	Wires-only	
_	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: HALDIMAND COUNTY HYDRO INC.					
8	Reporting period: January 1, 2004 to December 31, 2004					
	Taxation Year's start date:					
	Taxation Year's end date:					
_	Number of days in taxation year:		366	days		
12	Please enter the Materiality Level :		0		, level	
14	(0.25% x Rate Base x CER)	Y/N	U	< - enter materiality	/ level	
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				
	(Please complete the questionnaire in the Background questionnaire	worksl	neet.)			
19						
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21	Ocation D. Financial atotamente data					
23	Section B: Financial statements data: Input unconsolidated financial statement data submitted with Tax returns.					
24						
	If required please change the descriptions except for amortization, interest	expens	se and provision for	income tax		
26						
27	Please enter the non-wire operation's amount as a positive number, the pr			all amounts		
	in the "non-wires elimination column" as negative values in TAXREC and 1	TAXRE	C2.			
29						
30	Income: Energy Sales	.	19.447.557		40.447.557	
32		+			19,447,557	
33	Distribution Revenue Other Income	+	9,260,239 729,482		9,260,239 729,482	
34	Miscellaneous income	+	123,402		729,462	
35	Milosonanosas mosmo	+			0	
	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	19,447,557		19,447,557	
40	Administration	-	1,531,811		1,531,811	
41	Customer billing and collecting	-	1,096,343		1,096,343	
42	Operations and maintenance	-	2,515,639		2,515,639	
44	Amortization Ontario Capital Tax	-	2,239,370		2,239,370	
45	Recovery of regulatory assets - expense	-			0	
46	receivery of regulatory assets - expense	-			0	
47		-			0	
48		-			0	
49						
	Net Income Before Interest & Income Taxes EBIT	=	2,606,558	0	2,606,558	
	Less: Interest expense for accounting purposes	-	1,019,077		1,019,077	
52	Provision for payments in lieu of income taxes	-	1,433,350	0	1,433,350	
53	Net Income (loss) (The Net Income (loss) on the MoF column should equal to the net income (loss)	=	154,131	0	154,131	
54	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	+	1,433,350	0	1,433,350	
	Federal large corporation tax Depreciation & Amortization	+	2 220 270	0	2,239,370	
	Depreciation & Amortization Employee benefit plans-accrued, not paid	+	2,239,370	0		
	Tax reserves - beginning of year	+	0	0		
	Reserves from financial statements- end of year	+	0	0		
	Regulatory adjustments on which true-up may apply (see A66)	+			0	
	Items on which true-up does not apply "TAXREC 3"		3,966,803		3,966,803	
67	Material addition items from TAXREC 2	+	2,659	0	2,659	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69	2					
70	Subtotal		7,642,182	0	7,642,182	
71	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+			0	
	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
		+			0	
78		+			0	
79						
79 80	Total Other Additions	=	0	0	0	
79	Total Other Additions Total Additions	=	7,642,182	0		

	A	В	С	D	Е	F
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	'
1	(Halton Hills Version per Board Decision in EB-2008-0381)				,	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
5	U		Return		Version 2009.1	
_	Recap Material Additions:				10.0.0.1	
85			0	0	0	
86			0	0	0	
87 88			0	0	0	1
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
	Other additions (less than materiality level) Total Other Additions		0	0	0	
95	Total Cition / Idantonio		Ü	· ·	Ü	
	BOOK TO TAX DEDUCTIONS:					
	Capital cost allowance	-	1,634,345		1,634,345	
	Cumulative eligible capital deduction Employee benefit plans-paid amounts	-	29,852		29,852 0	
	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103 104	other deductions Tax reserves - end of year	-	0	0	0	
	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-	4017.55		0	
	Items on which true-up does not apply "TAXREC 3" Interest capitalized for accounting deducted for tax	-	1,947,550	0	1,947,550	
	Interest capitalized for accounting deducted for tax Material deduction items from TAXREC 2	-	0	0	0	
	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal (7)	=	3,611,747	0	3,611,747	
	Other deductions (Please explain the nature of the deductions) Charitable donations - tax basis	_			0	
	Gain on disposal of assets	-			0	
117	,	-			0	
118					0	
119 120	Total Other Deductions	-	0	0	0	-
121	Total Other Deductions	-	U	0	0	
122	Total Deductions	=	3,611,747	0	3,611,747	
123	D					
124	Recap Material Deductions:		0	0	0	-
126			0	0	0	
127			0	0	0	
128			0	0	0	
129	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133	TAYADI F INCOMF		4 40 4 500		4 40 4 500	-
	TAXABLE INCOME DEDUCT:	=	4,184,566	0	4,184,566	
136	Non-capital loss applied positive number	- 1	0		0	
137	Net capital loss applied positive number	-			0	
138	NET TAVADLE INCOME		4.404.500		0	-
140	NET TAXABLE INCOME	=	4,184,566	0	4,184,566	
	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	926,853	0	926,853	
	Net Ontario Income Tax (Must agree with tax return)	+	585,839	0	585,839	-
	Subtotal Less: Miscellaneous tax credits (Must agree with tax returns)	-	1,512,692 2,659	0	1,512,692 2,659	
	Total Income Tax	=	1,510,033	0	1,510,033	
147						
	FROM ACTUAL TAX RETURNS Not Endered Jacobs Tay Reta (Must agree with tay return)		00.4004		00.400/	ļ
	Net Federal Income Tax Rate (Must agree with tax return) Net Ontario Income Tax Rate (Must agree with tax return)	1	22.12% 14.00%		22.12% 14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	Section F: Income and Capital Taxes			_		-
154 155	RECAP					
	Total Income Taxes	+	1,510,033	0	1,510,033	
157	Ontario Capital Tax	+	103,988		103,988	
	Federal Large Corporations Tax	+	0		0	
159 160	Total income and capital taxes	=	1,614,021	0	1,614,021	
161	. e.aeemo una oupital taxoo	 	.,017,021	0	.,014,021	

	A	В	С	D	Е	F
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-				•	
1	2008-0381)					
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	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: HALDIMAND COUNTY HYDR	O INC.				
8	Reporting period: January 1, 2004 to Dece	mber 31	, 2004			
9						
10	TAX RESERVES					
11						
12	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) Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
20	Citici i lease describe				0	
21					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	() and () an				0	
	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
	Insert line above this line				U	
			0	0	0	
36	Total (carry forward to the TAXINEC Worksheet)		U	0	U	
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
40	Property taxes Other - Please describe				0	
	Other - Please describe Other - Please describe				0	
49	Citici i lease describe				0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51	, and the state of					
	End of Year:					
53					0	
54					0	
	Environmental				0	
56	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
60	Other - Please describe				0	
62	Inpart line above this line				0	
63	Insert line above this line Total (carry forward to the TAXREC worksheet)		0	0	0	
64	TOTAL (CATTY TOTWARD TO THE TAXKED WORKSHEET)		0	0	U	
04			I			

_	A	В	С	D	E	F
1	^	В	C	В	L	-
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-2008-0381)		Camanata	Eliminations	T	
	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
	RATEPAYERS ONLY		Return		rtotam	
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7	HALLET NAME OF THE DIMAND COUNTY HAD ONE					
	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: January 1, 2004 to December 31, 2004 Number of days in taxation year:		366			
	Materiality Level:		0			
12						
13						
14	Section C: Reconciliation of accounting income to taxable income					
	Add:					
17		+			0	
	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets Charitable donations (Only if it benefits ratepayers)	+			0	
	Taxable capital gains	+	0		0	
22	Loss for tax purposes - joint ventures or partnerships	+	0		0	
	Scientific research expenditures deducted	+			0	
24 25	per financial statements Capitalized interest	+			0	
	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	
	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38 39		+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Ontario Specified Tax Credits	+	2,659		2,659	
42		+			0	
44		+			0	
45		+			J	
46	Total Additions	=	2,659	0	2,659	
47	Recap of Material Additions:					
49	recap of Material Additions.		0	0	0	
50			0	0	0	
51 52			0	0	0	
	Taxable capital gains		0	0	0	
54	Loss for tax purposes - joint ventures or partnerships		0	0	0	
55			0	0	0	
56 57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61 62			0	0	0	
63			0	0	0	
64			0	0		
65 66			0	0		
67			0	0		
68			0	0	0	
69			0	0		
70 71			0	0	0	
72	Ontario Specified Tax Credits		2,659	0	2,659	
73			0	0	0	
74			0	0	0	
75 76			0	0	0	
	Total Material additions		2,659	0	2,659	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		2,659	0	2,659	

	A	В	С	D	E	F
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Ė	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
2	(Halton Hills Version per Board Decision in EB-2008-0381)		0	11011 111100		
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: January 1, 2004 to December 31, 2004					
	Number of days in taxation year:		366			
	Materiality Level:		0			
12			-			
13						
80						
	Deduct:					
	Gain on disposal of assets per f/s	-	0		0	
	Dividends not taxable under section 83	-	Ü		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	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
	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	
	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
	Total Deductions	=	0	0	0	
100						
	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0		
105			0	0		
106			0	0	0	
107			0	0		
108			0	0	0	
109 110			0	0		
110			0	0	0	
111			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	
	Total Deductions exceed materiality level		0	0	0	
120			0	0	0	
121	Total Deductions		0	0	0	
122	Total Deductions		U	U	U	
144		1			l l	

	A	В	С	D	Е	F
1						
	SIMPIL MODEL					
3	(Halton Hills Version per Board Decision in EB-2008-0381)					
4	TAX RETURN RECONCILIATION (TAXREC 3) Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
		LIIVL	Corporate	Eliminations	Tax	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		· ·	Eliminations		
7	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
8	Utility Name: HALDIMAND COUNTY HYDRO INC.		Return		Version 2009.1	
9	Othity Name. HALDIMAND COONTT ITT DRO INC.				VC(3)011 2000.1	
10						
11	Reporting period: January 1, 2004 to December 31, 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16 17	Section C: Reconciliation of accounting income to taxable income Add:					
18	Auu.					
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 Loss from joint ventures or partnerships	+	3,156		0 3,156	
25	Deemed dividend income	+	3,100		3,136	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	8,980		8,980	
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 Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	ľ			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 40	Observed in Bernsteinen Asset halaman	+	0.054.007		3,954,667	
41	Changes in Regulatory Asset balances Imputed interest expense on Regulatory Assets	+	3,954,667		3,954,667	
42	Imputed interest expense on regulatory Assets	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46 47	Total Additions on orbital two on december and	+	0.000.000	0	0.000.000	
48	Total Additions on which true-up does not apply	=	3,966,803	0	3,966,803	
	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-	00.4=		0	
54 55	Gain on disposal of assets per financial statements Financing fee amorization - considered to be interest expense for PILs	-	23,474		23,474	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61	Changes in Regulatory Acces belongs	-	4.004.070		1 024 076	
62 63	Changes in Regulatory Asset balances	-	1,924,076		1,924,076 0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69 70		-			0	
70 71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	1,947,550	0	1,947,550	
74			, , , , , ,		, , , , ,	
75						

	Α	В	С	D	Е	F	G	Н		1
	SIMPIL MODEL		I ED 6651	0.00043						
1	(Halton Hills Version per Bo	oard Decisi	on in EB-200	8-0381)						
2	Corporate Tax Rates					Version 2009.1				
	Exemptions, Deductions, o									
4										
5	Reporting period: Jan	uary 1, 20	004 to Dece	mber 31, 2	004					
6]	•								
7						Table 1				
8		Ls Applica	tions for 2002	2						
	Income Range		0		200,001					
10	RAM 2002		to		to	>700000				
11		Year	200,000		700,000					
	Income Tax Rate									
	Proxy Tax Year	2002								
	Federal (Includes surtax)		13.12%		26.12%	26.12%				
	and Ontario blended		6.00%		6.00%	12.50%				
16	Blended rate		19.12%		34.12%	38.62%				
17										
	Capital Tax Rate		0.300%							
	LCT rate		0.225%							
20	Surtax		1.12%							
	Ontario Capital Tax	MAX	5,000,000							
21	Exemption **	\$5MM	5,555,555							
	Federal Large	MAX	40.005.55				1			
~~	Corporations Tax	\$10MM	10,000,000				1			
22	Exemption **	***************************************					l			
	**Exemption amounts	must agre	e with the	Board-app	roved 200	2 RAM PILs				
	filing									
23 24										
25	Formation 1		-10 1:15			Table 2				
26		s for 2004 a					I			
	Income Range		0	250,001	400,001	4 462 222	1			
	Expected Rates	.,	to	to	to	>1,128,000				
29		Year	250,000	400,000	1,128,000					
	Income Tax Rate	0004			1					
	Current year	2004	40.400/	00.400/	20.400/	00.400/				
	Federal (Includes surtax)	2004	13.12%	22.12%	22.12%	22.12%				
	Ontario Diametra	2004	5.50%	5.50%	9.75%	14.00%				
34 35		2004	18.62%	27.62%	31.87%	36.12%				
		2004	0.2000/							
	Capital Tax Rate	2004	0.300%							
	LCT rate Surtax	2004 2004	0.200% 1.12%							
JU			1.12%							
30	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000				1			
JJ	Federal Large	POININ								
	Corporations Tax	MAX	50,000,000				1			
40	Exemption *** 2004	\$50MM	30,000,000				1			
41		tions mu	et comply :	vith the Pe	ard's inst	uctions	ı			
71	ranocanon or oxiomp		st compiy v	viai ale Bo	aru s IIISti	uctions				
42	regarding regulated ac	tivities.								
43						Table 3				
	Input Information from Utili	ty's Actual	2004 Tax Ret							
45	Income Range		0	250,001	400,001		1			
46			to	to	to	>1,128,000	1			
47		Year	250,000	400,000	1,128,000					
	Income Tax Rate									
	Current year	2004								
	Federal (Includes surtax)		13.12%	22.12%	22.29%	22.12%		22.12%		0.00%
	Ontario		5.50%	5.50%	13.77%	14.00%		14.00%	. (0.00%
52			18.62%	27.62%	36.06%	36.12%		36.12%	. (0.00%
53										
	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
	Surtax		1.12%							
		MAX	1 001 250							
56	Ontario Capital Tax		4,991,258							
56	Ontario Capital Tax Exemption *	\$5MM					1			
56	Exemption * Federal Large									
56	Exemption *	MAX	50,000,000							
56 57 58	Exemption * Federal Large Corporations Tax Exemption *	MAX \$50MM								
56 57	Exemption * Federal Large Corporations Tax Exemption *	MAX \$50MM		ocation ca	lculations	in your				
56 57 58 59	Exemption * Federal Large Corporations Tax Exemption * * Include copies of the	MAX \$50MM actual ta	x return all			in your				
56 57 58	Exemption * Federal Large Corporations Tax Exemption *	MAX \$50MM actual ta	x return all			in your				

	Α	В	С	D	E	F	G	Н	I	J	K	L	М	Ν	0
	SIMPIL MODEL														
1	(Halton Hills Version per Boa	ard De	cision in EB-												
2	Analysis of PILs Tax Accoun	t 1562	:												
3	Utility Name: HALDIMAN	ND CC	OUNTY HYDR	0	INC.										Version 2009.1
4	Reporting period: Janu	arv 1.	2004 to Dec	em	ber 31, 2004		Sign Conventi	on:	+ for increase;	- fo	r decrease				0
5	<u> </u>				,										
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		336,951		763,072		812,552		718,209		718,209		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		334,927		1,096,347		1,431,274		1,180,079						4,042,627
	PILs proxy from April 1,														
13	2005 - input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)														0
	True-up Variance	+/-													
15	Adjustment (3)						0		(7,744)						(7,744)
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
17	Adjustment (5)						0		(56,176)				_		(56,176)
4.0	Adjustments to reported	+/-													
18	prior years' variances (6)												_		U
19	Carrying charges (7)	+/-	2,024		47,824		50,336		44,874						145,058
	PILs billed to (collected	-													
20	from) customers (8)		0		(718,050)		(1,432,130)		(1,255,376)						(3,405,556)
21			222.254		700.070		010.550		710.000		710.000		710,000		740,000
22	Ending balance: # 1562		336,951		763,072		812,552		718,209		718,209		718,209		718,209
23															

Uncollected PILs

36

37

38

67

68

28 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.

For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

31 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. 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.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
- 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 41
 - (vi) Column M The 2005 PILs 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 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 reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. 46 47
- 48 (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.
- 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.
- (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.
- 56 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 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.
- 63 (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied 64 by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; 65 plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - 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 72 to calculate the recovery for the period January 1 to March 31, 2005.
- 74 (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

. 1	A	В	С	D	Е
	SIMPIL MODEL		Ť	_	Version 2009.1
1	(Halton Hills Version per Board Decision in EB-2008-0381)				
2	REGULATORY INFORMATION (REGINFO)				
	Utility Name: HALDIMAND COUNTY HYDRO INC.			Colour Code	
	Reporting period: 2005			Input Cell	
5	David to according a colod.	005	dans	Formula in Cell	
	Days in reporting period: Total days in the calendar year:	365 365	days		
8	Total days III the calendar year.	303	days		
	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	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
ю	·				
17	Is the utility a non-profit corporation?		Y/N	N	
10	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
	shared among the corporate group?	LCT	Y/N	N	
	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		_ 100%	
	Accounting Year End		Date	12-31-2005	
2	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA				Income
	(FROM 1999 FINANCIAL STATEMENTS)				ilicollie
	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			33,509,753	
33	Common Equity Ratio (CER)			50.00%	
7					
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,870,110	
ᅺ					
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
45	Total Incremental revenue			1,312,435	
	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			_ 437,478	437,478
48	Amount allowed in 2002			437,478	437,478
50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)			-	0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			437,478	437,478
52	Other Board-approved changes to MARR or incremental revenue			184,653	184,653
53	2 miles 2 miles and analysis to miles of miles o				0
54	Total Regulatory Income				3,054,762
55					
	Equity			16,754,877	
57	D				
	Return at target ROE			1,655,382	
59 60	Debt			16,754,877	
61	Dent			10,/54,8//	
	Deemed interest amount in 100% of MARR			1,214,729	
63				.,,,,,,	
	Phase-in of interest - Year 1 (2001)			844,417	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,029,572	
	((D43+D47+D48)/D41)*D61				
67			1	1,029,572	
67 68	Phase-in of interest - Year 3 (2003) and forward				
67 68 69	((D43+D47+D48)/D41)*D61 (due to Bill 210)			4.044.700	
67 68 69				1,214,729	

	A	В	С	D	E	F	G	Н
	SIMPIL MODEL	ITEM	Initial	D	M of F	M of F	Tax	П
1	(Halton Hills Version per Board Decision in EB-2008-0381)							
3	PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)		Estimate		Filing Variance	Filing Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
7	Utility Name: HALDIMAND COUNTY HYDRO INC. Reporting period: 2005							
8	Reporting period. 2000						Column	
9		365	days				Brought	<u> </u>
10 11	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		\$	
13								
14 15	I) CORPORATE INCOME TAXES							-
	Regulatory Net Income REGINFO E53	1	3,054,762		-1,182,564		1,872,198	
17								
18 19	BOOK TO TAX ADJUSTMENTS Additions:							
	Depreciation & Amortization	2	1,863,832		491,191		2,355,023	
	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year Reserves from financial statements - end of year	4			0		0	
	Regulatory Adjustments - increase in income	5			0		0	
	Other Additions (See Tab entitled "TAXREC")	_						lacksquare
26 27	"Material" Items from "TAXREC" worksheet Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			15,575		15,575	
29	Other Additions (not "Material") "TAXREC 2"	6	044.555		0		0	Ļ
30 31	Items on which true-up does not apply "TAXREC 3"		214,577		3,297,858		3,512,435	₩
	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	1,903,327		-154,311		1,749,016	_
	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8			0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	_
37	Interest Expense Deemed/ Incurred	11	1,214,729		-246,503		968,226	
38		4			0		0	
	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42		11			0		0	-
44	CDM 2005 incremental OM&A expenses per 2005 PILs model	12	33,333		-33,333		0	
45	Other Deductions (not "Material") "TAXREC"	12	·		0		0	
46 47	Material Items from "TAXREC 2" worksheet Other Deductions (not "Material") "TAXREC 2"	12 12			0		0	
48	Items on which true-up does not apply "TAXREC 3"	12	34,503		2,938,430		2,972,933	
49								
	TAXABLE INCOME/ (LOSS)		1,947,279		117,777	Before loss C/F	2,065,056	<u> </u>
51 52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		0.0000%		36.12%	
54 55	DECLII ATODV INCOME TAV		702.257		40 544	Actual	745 000	
56	REGULATORY INCOME TAX		703,357		42,541	Actual	745,898	
57								
58 59	Miscellaneous Tax Credits	14			5,870	Actual	5,870	<u> </u>
60	Total Regulatory Income Tax		703,357		36,671	Actual	740,028	\vdash
61			. 00,001		00,071	, iotaai	0,020	
62	II) CARITAL TAYES							<u> </u>
63 64	II) CAPITAL TAXES		1					
65	Ontario							
66	Base	15	33,509,753		6,660,616		40,170,369	<u> </u>
67 68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	16	7,425,000 26,084,753		62,139 6,722,755		7,487,139 32,683,230	
69	·							
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	-
71 72	Ontario Capital Tax		78,254		19,795		98,050	
73			, 0,201		.0,.00		20,000	
74 75		18	33,509,753		6,660,616		40,170,369	1
76		19	49,500,000		500,000		50,000,000	
77			0		7,160,616		0	
78	Poto Toy Potos Poguloton: Tokio 4: Asturi Tokio 9	200	0.475004		0.005004		0.000001	1
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	╁
81			0		0		0	_
82 83	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
84	Net LCT		0		0		0	\vdash
85								

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial		M of F	M of F	Tax	<u> </u>
2	(Halton Hills Version per Board Decision in EB-2008-0381) PILS DEFERRAL AND VARIANCE ACCOUNTS		Fatimata		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)		Estimate		Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5 6	0 Utility Name: HALDIMAND COUNTY HYDRO INC.						Version 2009.1	
7	Reporting period: 2005							
8	Davis in reporting ported.	365	dovo				Column	
10	Days in reporting period: Total days in the calendar year:	365	days days				Brought From	
11	, , , , , , , , , , , , , , , , , , , ,						TAXREC	
12			\$		\$		\$	
	III) INCLUSION IN RATES							
87	T D		22.422/					
88 89	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
90	Income Tax (proxy tax is grossed-up)	22	1,101,060			Actual 2005	740,028	
91	LCT (proxy tax is grossed-up)	23	70.054			Actual 2005	0	
92 93	Ontario Capital Tax (no gross-up since it is deductible)	24	78,254			Actual 2005	98,050	
94								
95 96	Total PILs for Rate Adjustment MUST AGREE WITH 2005	25	1,179,315			Actual 2005	838,078	
96	RAM DECISION						+	
98								
	IV) FUTURE TRUE-UPS				DB//CD)			
	IV a) Calculation of the True-up Variance In Additions:				DR/(CR)		+ +	
102	Employee Benefit Plans - Accrued, Not Paid	3			0			-
	Tax reserves deducted in prior year Reserves from financial statements-end of year	4			0			
	Reserves from financial statements-end of year Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2 In Deductions - positive numbers	6			15,575			
	Employee Benefit Plans - Paid Amounts	8			0			
	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments Interest Adjustment for tax purposes (See Below - cell I206)	10 11			0			
113	Tax reserves claimed in current year	4			0			
	Reserves from F/S beginning of year	4			0			
	Contributions to deferred income plans Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			-33,333			
118 119	Other deductions "Material" Item TAXREC 2	12			0			
	Total TRUE-UPS before tax effect	26		=	48,908			
121	T. D. O. C. CONTINUES.				00.400/			
122 123	Income Tax Rate () from 2005 Utility's tax return			Х	36.12%			
124	Income Tax Effect on True-up adjustments			=	17,666			
125 126	Less: Miscellaneous Tax Credits	14			5,870		+	
127		14			5,870			
128	Total Income Tax on True-ups				11,796			
129 130	Income Tax Rate used for gross-up ()				35.00%		-	
131								
132 133	TRUE-UP VARIANCE ADJUSTMENT				18,147			
133	IV b) Calculation of the Deferral Account Variance caused by						+	
	changes in legislation							
135	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial						1	
136	estimate column)			=	1,947,279			
137					,			
138 139	REVISED CORPORATE INCOME TAX RATE			Х	36.12%			
140	REVISED REGULATORY INCOME TAX			=	703,357			_
141	Loop, Revised Missellaneous Tay Credite				E 070			
142 143	Less: Revised Miscellaneous Tax Credits			-	5,870			
144	Total Revised Regulatory Income Tax			=	697,487			
145	Less: Regulatory Income Tax reported in the Initial Estimate Column						+	
146	(Cell C58)			-	703,357			
147								
148 149	Regulatory Income Tax Variance			=	-5,870			
149			l .					

	A	В	С	D	Е	F	G	Н
	SIMPIL MODEL	ITEM	Initial	Ť	M of F	M of F	Tax	Ė
	(Halton Hills Version per Board Decision in EB-2008-0381)	<u> </u>	<u> </u>					
	PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)	-	Estimate		Filing Variance	Filing Variance	Returns	
	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0					<u> </u>	Version 2009.1	
	Utility Name: HALDIMAND COUNTY HYDRO INC.							
	Reporting period: 2005							
8	Normalia anno antica a canala di	205	dayla				Column	-
	Days in reporting period: Total days in the calendar year:	365 365	days days				Brought From	
11	otal days in the calendar year.	303	uays				TAXREC	<u> </u>
12			\$		\$		\$	
13								
	Ontario Capital Tax							
	Base		1	=	33,509,753		_	
	Less: Exemption from tab Tax Rates, Table 2, cell C39 Revised deemed taxable capital				7,500,000 26,009,753			<u> </u>
154	Neviseu deemed taxable capital			-	20,009,733			
	Rate - Tab Tax Rates cell C54			х	0.3000%			
156								
	Revised Ontario Capital Tax			=	78,029			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell	ĺ	1		70.054			
158 159	C70) Regulatory Ontario Capital Tax Variance	—	 	- =	78,254 -225			
160	regulatory Ontano Capital Lax Valiatice	1		+-	-220		+	
	Federal LCT							
162 l	Base				33,509,753			
	Less: Exemption from tab Tax Rates, Table 2, cell C40	1	<u> </u>	-	50,000,000			
	Revised Federal LCT		1	=	-16,490,247		_	
165 166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51	-			0.2000%			
167	tate (as a result of registative changes) tab Tax Itales cell 631				0.200078			
	Gross Amount				0			
	Less: Federal surtax			-	0			
	Revised Net LCT			=	0			
171	Forders LLOT are and alice the initial antiquety and are (O-II 000)		1		0		_	
	Less: Federal LCT reported in the initial estimate column (Cell C82) Regulatory Federal LCT Variance	-		- =	0			-
174	regulatory rederal ECT variance			-				-
	Actual Income Tax Rate used for gross-up ()				35.00%			
176								
	ncome Tax (grossed-up)			+	-9,031			
	LCT (grossed-up)	-		+	-225			
180	Ontario Capital Tax	 		+	-225		-	
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-9,256			
182								
	TRUE-UP VARIANCE (from cell I132)			+	18,147			
184			1					
	Total Deferral Account Entry (Positive Entry = Debit)	<u> </u>		=	8,891			-
186 187	(Deferral Account Variance + True-up Variance)						-	
188								-
189							_	
	V) INTEREST PORTION OF TRUE-UP							
	Variance Caused By Phase-in of Deemed Debt							
192	Total doomed interest (DECINEO)	⊢—	 	1	4.044.700		1	-
	Total deemed interest (REGINFO) Interest phased-in (Cell C36)	1	 	\vdash	1,214,729 1,029,572			
195	merest phaseu-iii (Ocii Oso)				1,023,312			t
196	Variance due to phase-in of debt component of MARR in rates				185,156	-	1	
197	according to the Board's decision							
198				\coprod				
	Other Interest Variances (i.e. Borrowing Levels	 	 	+				<u> </u>
	Above Deemed Debt per Rate Handbook) Interest deducted on MoF filing (Cell K36+K41)	—	 	\vdash	968,226			
	Total deemed interest (REGINFO CELL D62)				1,214,729			t
203	The state of the s				.,2,.20	-	1	
204	Variance caused by excess debt				0			
205		├						
206 I	Interest Adjustment for Tax Purposes (carry forward to Cell I112)	 	 	1	0		+	-
	Total Interest Variance				185,156		+	
	otal intelest fallalies	-			100,100		1	-
209			I				1	
209 210 211								

1 (I	A SIMPIL MODEL Halton Hills Version per Board Decision in EB-2008-0381)	B LINE	C M of F	D Non-wires	E Wires-only	F	G
1 (1 2 T 3 (1	Halton Hills Version per Board Decision in EB-2008-0381)						
2 T 3 (t					oo omy		
4	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
	for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
	V		Return		Version 2009.1		
6 S	Section A: Identification:						
	Jtility Name: HALDIMAND COUNTY HYDRO INC.						
	Reporting period: 2005						
_	Faxation Year's start date: Faxation Year's end date:						
	Number of days in taxation year:		365	days			
12							
13 F	Please enter the Materiality Level : (0.25% x Rate Base x CER)	Y/N	0	< - enter materiality	/ level		
15	(0.25% x Net Assets)	Y/N Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
	Does the utility carry on non-wires related operation?	Y/N					
18 (1	Please complete the questionnaire in the Background questionnaire	worksr	ieet.)				
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
	Section B: Financial statements data:						
	Input unconsolidated financial statement data submitted with Tax returns. The actual categories of the income statements should be used.						
25 <i>l</i> i	f required please change the descriptions except for amortization, interest	expens	e and provision for	income tax			
26	Discourant for the same wife as a state of the same wife a			- !!			
	Please enter the non-wire operation's amount as a positive number, the pr In the "non-wires elimination column" as negative values in TAXREC and 1			all amounts			
29	n and mon which childhinaddin coldinin as hegadive values in TAAREC allu I	AME	<i>.</i>				
30 lı	ncome:						
31	Energy Sales	+	22,495,462		22,495,462		
32	Distribution Revenue Other Income	+	8,939,611 646,545		8,939,611 646,545		
34	Miscellaneous income	+	040,040		0		
35		+			0		
36 F	Revenue should be entered above this line						
	Costs and Expenses:						
39	Cost of energy purchased	-	22,495,462		22,495,462		
40	Administration		1,568,731		1,568,731		
41 42	Customer billing and collecting Operations and maintenance	-	1,144,673 2,645,531		1,144,673 2,645,531		
43	Amortization	-	2,355,023		2,355,023		
44	Ontario Capital Tax	-	, ,		0		
45	Capitalized	-			0		
46 47	Recovery of Regulatory Assets	-			0		
48		-			0		
49							
	Net Income Before Interest & Income Taxes EBIT Less: Interest expense for accounting purposes	=	1,872,198 968,226	0	1,872,198 968,226		
52	Provision for payments in lieu of income taxes	-	747,049		747,049		Does this include LCT? N
53 N	let Income (loss)	=	156,923	0			
54 p	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 S	Section C: Reconciliation of accounting income to taxable income						
	From T2 Schedule 1 BOOK TO TAX ADDITIONS:						
	Provision for income tax	+	747,049	0	747,049		Does this include LCT? N
60 F	Federal large corporation tax	+	0		0		
	Depreciation & Amortization	+	2,355,023	0			
	Employee benefit plans-accrued, not paid Fax reserves - beginning of year	+	0	0			
64 F	Reserves from financial statements- end of year	+	0				
65 F	Regulatory adjustments on which true-up may apply (see A66)	+			0		
	Items on which true-up does not apply "TAXREC 3" Material addition items from TAXREC 2		3,512,435	0			
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	15,575 0	0			
69	The second process materialy from Translet L						
70	Subtotal		6,630,082	0	6,630,082		
71 72 (Other Additions: (Please explain the nature of the additions)						
	Strer Additions: (Please explain the nature of the additions) Recapture of CCA	+			0		
74 N	Non-deductible meals and entertainment expense	+			0		
	Capital items expensed	+			0		
76 77		+	0		0		
78		+			0		
79	T + 10th - 11th	+			0		
80	Total Other Additions	=	0	0	0		
82	Total Additions	=	6,630,082	0	6,630,082		
83							

	A	В	С	D	E	F	G
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only		,
1	(Halton Hills Version per Board Decision in EB-2008-0381)						
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
4	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return		
5	U		Ketum		Version 2009.1		
_	Recap Material Additions:						
85			0	0	0		
86			0	0			
87			0	0			
88 89			0	0			
90			0	0			
91			0	0			
92	Total Other additions >materiality level		0	0			
	Other additions (less than materiality level) Total Other Additions		0	0	0		
95	Total Other Additions		U	U	U		
	BOOK TO TAX DEDUCTIONS:						
	Capital cost allowance	-	1,721,254		1,721,254		
	Cumulative eligible capital deduction	-	27,762		27,762		
100	Employee benefit plans-paid amounts Items capitalized for regulatory purposes	-			0		
	Regulatory adjustments :	-			0		
102	CCA	-			0		
103	other deductions	-		_	0		
104		-	0	0	0		
105 106	Reserves from financial statements- beginning of year Contributions to deferred income plans	-	0	0	0		
	Contributions to deferred income plans Contributions to pension plans	-			0		
	Items on which true-up does not apply "TAXREC 3"		2,972,933	0	2,972,933		
109	Interest capitalized for accounting deducted for tax	-			0		
	Material deduction items from TAXREC 2	-	0	0	0		
	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112 113	Subtotal	=	4,721,949	0	4.721.949		
114			4,721,949	U	4,721,949		
115		-			0		
116	Gain on disposal of assets	-			0		
117		-			0		
118 119		-			0		
120	Total Other Deductions	=	0	0			
121	Total Other Deddolland		J	Ü	J		
122	Total Deductions	=	4,721,949	0	4,721,949		
123	Description Deductions						
124	Recap Material Deductions:		0	0	0		
126			0	0			
127			0	0	0		
128			0	0			
129	Total Other Deductions are and materiality layer		0	0	0		
130	Total Other Deductions exceed materiality level Other Deductions less than materiality level		0	0	0		
	Total Other Deductions		0	0			
133							
	TAXABLE INCOME	=	2,065,056	0	2,065,056		
	DEDUCT:				_		
136	Non-capital loss applied positive number Net capital loss applied positive number	-	0		0		
138	Positive intilibet	-			0		
139	NET TAXABLE INCOME	=	2,065,056	0	2,065,056		
140	EDOM ACTUAL TAY DETUTION	\vdash					
	FROM ACTUAL TAX RETURNS Not Federal Income Tay (Must garge with tay return)	_	456,790		456,790		
	Net Federal Income Tax (Must agree with tax return) Net Ontario Income Tax (Must agree with tax return)	+	456,790 289,108		456,790 289,108		
144		=	745,898	0	745,898		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	5,870		5,870		
146	Total Income Tax	=	740,028	0	740,028		
147 148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.12%		36.12%		.,
152							
	Section F: Income and Capital Taxes						
154 155	RECAP						
	Total Income Taxes	+	740,028	0	740,028		
157	Ontario Capital Tax	+	98,050	ŭ	98,050		
158	Federal Large Corporations Tax	+	0		0		
159	Total income and conital torres		000.070		000.070		
160 161	Total income and capital taxes	=	838,078	0	838,078		
101							

	A	В	С	D	Е	F
1	SIMPIL MODEL (Halton Hills Version per Board Dec		M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves	LIIVL	Corporate	Eliminations	Tax	
	For MoF Column of TAXCALC		Tax	Z.IIIIII GATOTIO	Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return		7.010.11	
5	0				Version 2009.1	
6						
7	Utility Name: HALDIMAND COUNTY HYDRO INC.					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
	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)(I)		0		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				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						
	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
	Allowance for doubtful accounts		0		0	
	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51			<u> </u>			
	End of Year:					
53					0	
54					0	
	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
	Property taxes				0	
	Other - Please describe				0	
	Other - Please describe				0	
61					0	
	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64			1			

	A	В	С	D	Е	F
1	^	В	C	D		Г
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
	(Halton Hills Version per Board Decision in EB-2008-0381)					
	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
	RATEPAYERS ONLY		Return		Return	
	Shareholder-only Items should be shown on TAXREC 3		rtotairi		Version 2009.1	
7						
	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: 2005 Number of days in taxation year:		365			
	Materiality Level:		0			
12						
13 14						
	Section C: Reconciliation of accounting income to taxable income					
	Add:					
17		+			0	
	Gain on sale of eligible capital property Loss on disposal of assets	+	0		0	
	Charitable donations (Only if it benefits ratepayers)	+	0		0	
21	Taxable capital gains	+			0	
22		+			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	+	0.7		0 705	
	Debt issue expense Financing fees deducted in books	+	9,705		9,705 0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38 39		+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Ontario Specified Tax Credits	+	5,870		5,870	
42 43		+			0	
44		+			0	
45		+			Ü	
46	Total Additions	=	15,575	0	15,575	
47	Recap of Material Additions:					
49	Treedp of Material Adultions.		0	0	0	
50			0	0		
	Loss on disposal of assets		0	0	0	
52 53			0	0	0	
54			0	0	0	
55			0	0	0	
56 57			0	0	0	
58			0	0	0	
59			0	0	0	
	Debt issue expense		9,705	0	9,705	
61 62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66 67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71 72	Ontario Specified Tax Credits		0 5,870	0		
73			5,870	0		
74			0	0	0	
75 76			0	0		
76			0 15,575	0	0 15,575	
	Other additions less than materiality level		15,575	0		
	Total Additions		15,575	0		

_	Α	-	_	5	-	
H	Α	В	С	D	E	F
1	ONE HODE					
	SIMPIL MODEL	LINE	M of F	Non-wires	Wires-only	
2	(Halton Hills Version per Board Decision in EB-2008-0381)		0 1	· ·	_	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	RATEPAYERS ONLY		Return		14 1 0000 4	
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7	IN THE RESERVE COLUMN AND A SHARE					
	Utility Name: HALDIMAND COUNTY HYDRO INC.					
	Reporting period: 2005		005			
	Number of days in taxation year:		365			
12	Materiality Level:		U			
_						
13						
80						
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83	-			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	
	Income for tax purposes - joint ventures or partnerships	-	0		0	
93		-			0	
94		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-	0		0	
97	Non-taxable load transfers		U		0	
98		-			0	
99	Total Deductions	-	0	0	0	
100	Total Deductions	=	0	0	0	
	Decem of Material Daductions					
102	Recap of Material Deductions:		0	0	0	
102			0	0	0	
103			0	0		
105			0	0		
106			0	0		
107			0	0	0	
107			0	0	0	
109			0	0		
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0		
114			0	0	0	
115			0	0		
116			0	0	0	
117			0	0	0	
118			0	0	0	
	Total Deductions exceed materiality level		0	0	0	
	Other deductions less than materiality level		0	0	0	
	Total Deductions		0	0	0	
121	Total Deductions		U	0	0	
122		1			l l	

_	Δ	ь	С	Ъ	-	_
1	Α	В	C	D	E	F
2	SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-038	1)				
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	
<u>6</u> 7	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
8	Utility Name: HALDIMAND COUNTY HYDRO INC.		Keturn		Version 2009.1	
9	other name. Transminant court i first inc.				Version 2003.1	
10						
11	Reporting period: 2005		365			
13	Number of days in taxation year:		303			
14						
15						
16 17	Section C: Reconciliation of accounting income to taxable income					
18	Add:					
19	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
21	CEC adjustments Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of non-utility eligible capital property Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26 27	Loss in equity of subsidiaries and affiliates Loss on disposal of utility assets	+	36,727		0 36,727	
28	Loss on disposal of utility assets Loss on disposal of non-utility assets	+	30,727		36,727	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36 37	Interest and penalties on unpaid taxes Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+	3,475,708		3,475,708	
41	Imputed interest expense on Regulatory Assets	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45 46		+			0	
47	Total Additions on which true-up does not apply	=	3,512,435	0	3,512,435	
48			3,0 12, 100	-	5,0 :=, :00	
	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 56	Financing fee amorization - considered to be interest expense for PILs Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-	869		869	
59 60	Ontario capital tax adjustments to current or prior year	-			0	
61	Ontailo capital tax aujustilients to cultetit of prior year	-			0	
62	Changes in Regulatory Asset balances	-	2,972,064		2,972,064	
63		-			0	
64 65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69 70		-			0	
71		-			0	
72		-			0	
73 74	Total Deductions on which true-up does not apply	=	2,972,933	0	2,972,933	
75						

_	^	-	_	-		-
1	A SIMPIL MODEL (Halton Hills	B Version no	C or Board Dec	D ision in FR-2	E 008-0381)	F
2	Corporate Tax Rates	version pe	er Board Dec	ISION IN ED-2		ersion 2009
3	Exemptions, Deductions, or	r Threshold	s		•	6131011 2003
4	Utility Name: HALDIMAND (
5	Reporting period: 2005					
6						
7 8	Rates Used in 2005 RAM PI	l a Annliaat	iona for 2005			Table 1
9	Income Range	LS Applicat	0		400,001	
	RAM 2005		to		400,001	>1,128,000
11		Year	400,000		1,128,000	.,,
12	Income Tax Rate					
13	Proxy Tax Year	2005				
	Federal (Includes surtax)		13.12%		17.75%	22.12%
15	and Ontario blended		5.50%		9.75%	14.00%
16 17	Blended rate		18.62%		27.50%	36.12%
	Capital Tax Rate		0.300%			
	LCT rate		0.175%			
	Surtax		1.12%			
	Ontario Capital Tax	MAX				
21	Exemption **	\$7.5MM	7,425,000			
	Federal Large	MAX				
22	Corporations Tax	\$50MM	49,500,000			
.∠	Exemption **	*	o with the	Doord are	round and	E DAM
	**Exemption amounts I	nust agre	e with the	Боаги-арр	roved 200	IS KAIVI
23	PILs filing					
24						
25						Table 2
26	Expected Income Tax Rates	for 2005 a	nd Capital Ta			
	Income Range		0	250,001	400,001	
	Expected Rates	V	to	to	to	>1,128,000
29 30	Income Tax Rate	Year	250,000	400,000	1,128,000	
	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						
	Capital Tax Rate	2005	0.300%			
	LCT rate	2005	0.200%			
38	Surtax	2005	1.12%			
30	Ontario Capital Tax	MAX	7,500,000			
ນສ	Exemption *** 2005 Federal Large	\$7.5MM				
	Corporations Tax	MAX	50,000,000			
40	Exemption *** 2005	\$50MM	2,220,000			
1	***Allocation of exempt	ions mus	t comply w	ith the Bo	ard's insti	ructions
	regarding regulated ac					
2	. ე ე					Table 2
	Input Information from Utili	tv's Actual	2005 Tax Ret	urns		Table 3
	Income Range	, o Actual	0	250,001	400,001	
6			to	to	to	>1,128,000
7		Year	250,000	400,000	1,128,000	
	Income Tax Rate					
	Current year	2005				
	Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
_	Ontario		5.50%	5.50%	14.00%	14.00%
52	Blended rate		18.62%	27.62%	36.12%	36.12%
3	Conital Tay Bata		0.2000/			
	Capital Tax Rate LCT rate		0.300% 0.200%			
	Surtax		1.12%			
	Ontario Capital Tax	MAX				
57	Exemption *	\$7.5MM	7,487,139			
	Federal Large	MAX				
	Corporations Tax	MAX \$50MM	50,000,000			
	Exemption *					
59	* Include copies of the	actual tax	creturn all	ocation ca	lculations	in your
0	submission: Ontario C					
1						

	Α	В	С	D	Е	F	G	Н	I	J	K	L	M	Ν	0
	SIMPIL MODEL														
1	(Halton Hills Version per Boa	rd Dec	cision in EB-												
2	Analysis of PILs Tax Account	t 1562	:												
3	Utility Name: HALDIMAND CO	OUNTY	HYDRO INC.												Version 2009.1
4	Reporting period: 2005				Sign Convention	on: -	for increase; - f	or o	decrease						0
5															
6															
7															
8	Year start:		10/01/01		01/01/02		01/01/03		01/01/04		01/01/05		01/01/06		
9	Year end:		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		04/30/06		Total
10															
11	Opening balance:	=	0		336,951		763,072		812,552		718,209		587,572		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)		334,927		1,096,347		1,431,274		1,180,079		1,158,573		393,105		5,594,304
	PILs proxy from April 1,														
13	2005 - input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)														0
	True-up Variance	+/-													
15	Adjustment (3)						0		(7,744)		(2,613)		18,147		7,790
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
17	Adjustment (5)						0		(56,176)		(120,435)		(9,256)		(185,867)
l	Adjustments to reported	+/-													
18	prior years' variances (6)												-		0
19	Carrying charges (7)	+/-	2,024		47,824		50,336		44,874		34,896		18,496		198,450
	PILs billed to (collected	-			(740.050)		(4.400.400)		(4.055.070)		(4.004.057)		(547.050)		(5.404.400)
20	from) customers (8)		0	_	(718,050)		(1,432,130)		(1,255,376)		(1,201,057)		(517,856)		(5,124,469)
21	5		336,951		763,072		812,552		718,209		587,572		490,209		490,209
23	Ending balance: # 1562		330,931		103,012		812,552		718,209		387,372		490,209		490,209

24

59 60

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

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

- 32 (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.
 - If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation

 43
 44
 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 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 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups. Part IV a. cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005
- (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- (7) Carrying charges are calculated on a simple interest basis.
- 8 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
- 61 62 63 (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied 64 65 by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
 - (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Haldimand County Hydro Inc. EB-2012-0027 Board Staff Interrogatory Responses Filed: June 25, 2012 APPENDIX G

APPENDIX G

Haldimand County Hydro Inc. Account 1562 Deferred PILs Balance

(Continuity Schedule)

2001	2001 January	2001 February	2001 March	2001 April	2001 May	2001 June	2001 July	2001 August	2001 September	2001 October	2001 November	2001 December	2001 TOTAL
PRINICIPAL													
O				•			•			•	A 444.040	A 000 005	
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ - 9	- :	\$ -	\$ -	\$ -	\$ -	\$ 111,642	\$ 223,285	
Additions / Adjustments													
2001 Deferred (Oct. to Dec.)										\$111,642	\$111,642	\$111,642	\$334,92
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,642	\$111,642	\$111,642	\$334,92
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$
Rate Recoveries	\$0	20	\$0	\$0	\$0	20	\$0	\$0	\$0	\$0	\$0	\$0	ф
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,642	\$223,285	\$334,927	
INTEREST											7.25%	7.25%	
O				Φ0	Φ0	•••	Φ0.	# 0	*	40	40	0075	
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$675	
Carrying Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$675	\$1,349	\$2,02
Closing BalaInce	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$675	\$2,024	
2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
PRINICIPAL													
Opening Balance	\$334,927	\$426,289	\$517,652	\$609,014	\$700,376	\$791,738	\$823,108	\$791,522	\$759,572	\$732,569	\$721,254	\$707,595	
Opening balance	ψ334,921	Ψ420,209	ψ317,032	\$009,014	Ψ100,310	ψ191,130	ψ023,100	Ψ191,322	ψ139,312	ψ132,303	Ψ121,234	Ψ101,393	
Additions / Adjustments	001.000	A 24.222	001.000	404.000	A 04.000	004.000	***	A 24.222	004.000	004.000	***	A 24.222	A.
2002 Proxy (Jan. to Dec.)	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$1,096,34
	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$1,096,34
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	(\$59,992)	(\$122,949)	(\$123,312)	(\$118,365)	(\$102,677)	(\$105,021)	(\$85,734)	(\$718,050
Closing Balance	# 400.000	# 547.050	# 0000 04.4	\$ 700.070	\$704.700	# 000 400	#704 500	#750.570	# 700 500	#704.054	\$707.505	#710.004	
Closing Balance	\$426,289	\$517,652	\$609,014	\$700,376	\$791,738	\$823,108	\$791,522	\$759,572	\$732,569	\$721,254	\$707,595	\$713,224	
INTEREST	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Opening Balance	\$2,024	\$4,047	\$6,623	\$9,750	\$13,429	\$17,661	\$22,444	\$27,417	\$32,199	\$36,788	\$41,214	\$45,572	
					A 4.004	0.4.700	£4.070	\$4,782	\$4,589	\$4,426	\$4,358	\$4,275	\$47,82
Corning Charges	¢0.004	ው ጋ ፫፰፫	ውን ላርታ										
Carrying Charges	\$2,024	\$2,575	\$3,127	\$3,679	\$4,231	\$4,783	\$4,973	Φ4,702	\$4,569	\$4,420	\$4,356	\$4,275	\$41,0Z

2003 January	2003 February	2003 March	2003 April	2003 May	2003 June	2003 July	2003 August	2003 September	2003 October	2003 November	2003 December	2003 TOTAL
\$713,224	\$702,003	\$682,356	\$675,904	\$673,559	\$678,372	\$693,317	\$702,799	\$700,950	\$698,513	\$703,588	\$706,906	
\$27 911	\$27 911	\$27 911	\$27 Q11	\$27 911	\$27 911	\$27 911	\$27 911	\$27 011	\$27 011	\$27 011	\$27 911	\$334.927
												\$1,096,347
\$0.,002	ψ01,002	ψ01,002	ψο 1,00 <u>2</u>	\$01,002	\$0	ψο 1,002	ψ01,00 <u>2</u>	ψο.,σσ2	ψ0.,00 <u>2</u>	\$0.,002	\$0.,002	\$0
\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$119,273	\$1,431,274
(\$130,494)	(\$138,920)	(\$125,725)	(\$121,618)	(\$114,459)	(\$104,328)	(\$109,791)	(\$121,122)	(\$121,710)	(\$114,197)	(\$115,955)	(\$113,811)	(\$1,432,130)
\$702,003	\$682,356	\$675,904	\$673,559	\$678,372	\$693,317	\$702,799	\$700,950	\$698,513	\$703,588	\$706,906	\$712,368	
7.050/	7.050/	7.050/		7.050/	7.05%	7.050/	7.05%	7.050/	7.050/	7.05%	7.05%	
7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
\$49,847	\$54,156	\$58,397	\$62,520	\$66,604	\$70,673	\$74,771	\$78,960	\$83,206	\$87,441	\$91,661	\$95,912	
\$4,309	\$4,241	\$4,123	\$4,084	\$4,069	\$4,098	\$4,189	\$4,246	\$4,235	\$4,220	\$4,251	\$4,271	\$50,336
\$54.156	\$58 307	\$62.520	\$66.604	\$70.673	\$7 <i>4</i> 771	\$78.960	\$83 206	\$87 <i>44</i> 1	\$91.661	\$95.912	\$100.183	
φο 1,100	φου,συτ	Ψ02,020	Ψ00,004	Ψ10,010	Ψ7-1,77.1	ψ10,000	Ψ00,200	φον, ττι	ψο 1,001	ψου,σ12	ψ100,100	
2004	2004	2004	2004	2004	2004	2004	2004	2004	2004	2004	2004	2004
January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
				-								
\$712.368	\$703.196	\$683,780	\$671.237	\$637.912	\$630.357	\$560.801	\$565.726	\$562.385	\$564.171	\$567.271	\$568.266	
\$712,368	\$703,196	\$683,780	\$671,237	\$637,912	\$630,357	\$560,801	\$565,726	\$562,385	\$564,171	\$567,271	\$568,266	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	, ,	\$671,237	\$637,912	\$630,357	\$560,801	\$565,726	\$562,385	\$564,171	\$567,271	\$568,266	****
\$27,911	\$27,911	\$27,911	,				. ,					\$83,732
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	, ,	\$671,237 \$91,362	\$637,912 \$91,362	\$91,362	\$560,801 \$91,362	\$565,726 \$91,362	\$562,385 \$91,362	\$564,171 \$91,362	\$567,271 \$91,362	\$568,266 \$91,362	\$1,096,347
\$27,911	\$27,911	\$27,911	,				. ,					
\$27,911 \$91,362	\$27,911 \$91,362	\$27,911 \$91,362	\$91,362	\$91,362	\$91,362 (\$63,920)	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$91,362	\$1,096,347 (\$63,920)
\$27,911 \$91,362 \$119,273 (\$128,445)	\$27,911 \$91,362 \$119,273 (\$138,689)	\$27,911 \$91,362 \$119,273 (\$131,816)	\$91,362 \$91,362 (\$124,687)	\$91,362 \$91,362 (\$98,917)	\$91,362 (\$63,920) \$27,442 (\$96,998)	\$91,362 \$91,362 (\$86,438)	\$91,362 \$91,362 (\$94,703)	\$91,362 \$91,362 (\$89,576)	\$91,362 \$91,362 (\$88,262)	\$91,362 \$91,362 (\$90,368)	\$91,362 \$91,362 (\$86,477)	\$1,096,347 (\$63,920) \$1,116,159
\$27,911 \$91,362 \$119,273	\$27,911 \$91,362 \$119,273	\$27,911 \$91,362 \$119,273	\$91,362 \$91,362	\$91,362 \$91,362	\$91,362 (\$63,920) \$27,442	\$91,362 \$91,362	\$91,362 \$91,362	\$91,362 \$91,362	\$91,362 \$91,362	\$91,362 \$91,362	\$91,362 \$91,362	\$1,096,347 (\$63,920) \$1,116,159
\$27,911 \$91,362 \$119,273 (\$128,445)	\$27,911 \$91,362 \$119,273 (\$138,689)	\$27,911 \$91,362 \$119,273 (\$131,816)	\$91,362 \$91,362 (\$124,687)	\$91,362 \$91,362 (\$98,917)	\$91,362 (\$63,920) \$27,442 (\$96,998)	\$91,362 \$91,362 (\$86,438)	\$91,362 \$91,362 (\$94,703)	\$91,362 \$91,362 (\$89,576)	\$91,362 \$91,362 (\$88,262)	\$91,362 \$91,362 (\$90,368)	\$91,362 \$91,362 (\$86,477)	\$1,096,347 (\$63,920) \$1,116,159
\$27,911 \$91,362 \$119,273 (\$128,445) \$703,196	\$27,911 \$91,362 \$119,273 (\$138,689) \$683,780	\$27,911 \$91,362 \$119,273 (\$131,816) \$671,237	\$91,362 \$91,362 (\$124,687) \$637,912	\$91,362 \$91,362 (\$98,917) \$630,357	\$91,362 (\$63,920) \$27,442 (\$96,998) \$560,801	\$91,362 \$91,362 (\$86,438) \$565,726	\$91,362 \$91,362 (\$94,703) \$562,385	\$91,362 \$91,362 (\$89,576) \$564,171	\$91,362 \$91,362 (\$88,262) \$567,271	\$91,362 \$91,362 (\$90,368) \$568,266	\$91,362 \$91,362 (\$86,477) \$573,151	\$1,096,347 (\$63,920) \$1,116,159
\$27,911 \$91,362 \$119,273 (\$128,445) \$703,196 7.25%	\$27,911 \$91,362 \$119,273 (\$138,689) \$683,780 7.25%	\$27,911 \$91,362 \$119,273 (\$131,816) \$671,237 7.25% \$108,735	\$91,362 \$91,362 (\$124,687) \$637,912 7.25% \$112,867	\$91,362 \$91,362 (\$98,917) \$630,357 7.25%	\$91,362 (\$63,920) \$27,442 (\$96,998) \$560,801 7.25%	\$91,362 \$91,362 (\$86,438) \$565,726 7.25%	\$91,362 \$91,362 (\$94,703) \$562,385 7.25% \$127,973	\$91,362 \$91,362 (\$89,576) \$564,171 7.25%	\$91,362 \$91,362 (\$88,262) \$567,271 7.25% \$134,788	\$91,362 \$91,362 (\$90,368) \$568,266 7.25%	\$91,362 \$91,362 (\$86,477) \$573,151 7.25%	\$1,096,347 (\$63,920) \$1,116,159 (\$1,255,376)
\$27,911 \$91,362 \$119,273 (\$128,445) \$703,196	\$27,911 \$91,362 \$119,273 (\$138,689) \$683,780	\$27,911 \$91,362 \$119,273 (\$131,816) \$671,237	\$91,362 \$91,362 (\$124,687) \$637,912	\$91,362 \$91,362 (\$98,917) \$630,357	\$91,362 (\$63,920) \$27,442 (\$96,998) \$560,801	\$91,362 \$91,362 (\$86,438) \$565,726	\$91,362 \$91,362 (\$94,703) \$562,385	\$91,362 \$91,362 (\$89,576) \$564,171	\$91,362 \$91,362 (\$88,262) \$567,271	\$91,362 \$91,362 (\$90,368) \$568,266	\$91,362 \$91,362 (\$86,477) \$573,151	\$1,096,347 (\$63,920) \$1,116,159
	\$713,224 \$27,911 \$91,362 \$119,273 (\$130,494) \$702,003 7.25% \$49,847 \$4,309	S713,224 \$702,003 \$713,224 \$702,003 \$27,911 \$27,911 \$91,362 \$91,362 \$119,273 \$119,273 \$119,273 (\$130,494) (\$138,920) \$702,003 \$682,356 7.25% 7.25% \$49,847 \$54,156 \$4,309 \$4,241 \$54,156 \$58,397 2004 2004	S713,224 \$702,003 \$682,356 \$27,911 \$27,911 \$27,911 \$91,362 \$91,362 \$91,362 \$119,273 \$119,273 \$119,273 (\$130,494) (\$138,920) (\$125,725) \$702,003 \$682,356 \$675,904 7,25% 7,25% 7,25% \$49,847 \$54,156 \$58,397 \$4,309 \$4,241 \$4,123 \$54,156 \$58,397 \$62,520 2004 2004 2004	S713,224 \$702,003 \$682,356 \$675,904	S713,224 \$702,003 \$682,356 \$675,904 \$673,559	Sample S	Sample S	Sample S	Samuary February March April May June July August September	Samuary February March April May June July August September October	September March April May June July August September October November	Sample S

1													
2005	2005 January	2005 February	2005 March	2005 April	2005 May	2005 June	2005 July	2005 August	2005 September	2005 October	2005 November	2005 December	2005 TOTAL
PRINICIPAL													
Opening Balance	\$573,151	\$566,185	\$548,299	\$536,720	\$542,466	\$549,796	\$435,001	\$434,969	\$398,012	\$391,225	\$397,351	\$402,740	
Additions / Adjustments													
2002 Proxy (Jan. to Mar.) 2005 Proxy (Apr. to Dec.)	\$91,362	\$91,362	\$91,362	\$98.276	\$98.276	\$98,276	\$98.276	\$98.276	\$98.276	\$98,276	\$98.276	\$98,276	\$274,087 \$884,486
2004 SIMPIL Model True-Ups				* /	* /	(\$123,048)		* /			• ,	****	(\$123,048)
	\$91,362	\$91,362	\$91,362	\$98,276	\$98,276	(\$24,772)	\$98,276	\$98,276	\$98,276	\$98,276	\$98,276	\$98,276	\$1,035,525
Rate Recoveries	(\$98,328)	(\$109,248)	(\$102,941)	(\$92,531)	(\$90,946)	(\$90,023)	(\$98,308)	(\$135,233)	(\$105,064)	(\$92,150)	(\$92,887)	(\$93,397)	(\$1,201,057)
Closing Balance	\$566,185	\$548,299	\$536,720	\$542,466	\$549,796	\$435,001	\$434,969	\$398,012	\$391,225	\$397,351	\$402,740	\$407,619	
INTEREST	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Opening Balance	\$145,057	\$148,520	\$151,941	\$155,254	\$158,496	\$161,774	\$165,095	\$167,723	\$170,351	\$172,756	\$175,120	\$177,520	
Carrying Charges	\$3,463	\$3,421	\$3,313	\$3,243	\$3,277	\$3,322	\$2,628	\$2,628	\$2,405	\$2,364	\$2,401	\$2,433	\$34,896
Closing Balaince	\$148,520	\$151,941	\$155,254	\$158,496	\$161,774	\$165,095	\$167,723	\$170,351	\$172,756	\$175,120	\$177,520	\$179,954	
	* * * * * * * * * * * * * * * * * * *	V ,	¥100,E01	V 100, 100	V . V . V .	4 100,000	*****	V 0,00	* · · · = , · · · · ·	V O , O	¥:::,===	4 11 2 3 2 2	
2006	2006 January	2006 February	2006 March	2006 April	2006 May	2006 June	2006 July	2006 August	2006 September	2006 October	2006 November	2006 December	2006 TOTAL
PRINICIPAL													
Opening Balance	# 407.040												
	\$407,619	\$393,745	\$387,508	\$373,561	\$386,403	\$297,725	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments	\$407,619	,	\$387,508	\$373,561	\$386,403	\$297,725	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
2005 Proxy (Jan. to Apr.)	\$407,619	\$393,745 \$98,276	\$387,508 \$98,276	\$373,561 \$98,276	\$386,403	. ,	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$393,105 \$8 891
		,	. ,	. ,	\$386,403	\$297,725 \$8,891 \$8,891	\$291,759 \$0	\$291,759 \$0		\$291,759 \$0			\$393,105 \$8,891 \$401,996
2005 Proxy (Jan. to Apr.)	\$98,276	\$98,276	\$98,276	\$98,276		\$8,891		. ,		,			\$8,891
2005 Proxy (Jan. to Apr.) 2005 SIMPIL Model True-Ups	\$98,276 \$98,276	\$98,276 \$98,276	\$98,276 \$98,276	\$98,276 \$98,276	\$0	\$8,891 \$8,891		. ,	\$0	,		\$0	\$8,891 \$401,996
2005 Proxy (Jan. to Apr.) 2005 SIMPIL Model True-Ups Rate Recoveries	\$98,276 \$98,276 (\$112,150)	\$98,276 \$98,276 (\$104,514)	\$98,276 \$98,276 (\$112,223)	\$98,276 \$98,276 (\$85,434)	\$0 (\$88,678)	\$8,891 \$8,891 (\$14,857)	\$0	\$0	\$0	\$0	\$0	\$0	\$8,891 \$401,996
2005 Proxy (Jan. to Apr.) 2005 SIMPIL Model True-Ups Rate Recoveries Closing Balance	\$98,276 \$98,276 (\$112,150) \$393,745	\$98,276 \$98,276 (\$104,514) \$387,508	\$98,276 \$98,276 (\$112,223) \$373,561	\$98,276 \$98,276 (\$85,434) \$386,403	\$0 (\$88,678) \$297,725	\$8,891 \$8,891 (\$14,857) \$291,759	\$0 \$291,759	\$0 \$291,759	\$0	\$0 \$291,759	\$291,759	\$0 \$291,759	\$8,891 \$401,996
2005 Proxy (Jan. to Apr.) 2005 SIMPIL Model True-Ups Rate Recoveries Closing Balance INTEREST	\$98,276 \$98,276 (\$112,150) \$393,745	\$98,276 \$98,276 (\$104,514) \$387,508	\$98,276 \$98,276 (\$112,223) \$373,561	\$98,276 \$98,276 (\$85,434) \$386,403	\$0 (\$88,678) \$297,725	\$8,891 \$8,891 (\$14,857) \$291,759	\$0 \$291,759 4.59%	\$0 \$291,759 4.59%	\$0 \$291,759 4.59%	\$0 \$291,759 4.59%	\$0 \$291,759 4.59 % \$196,217	\$291,759 4.59% \$197,333	\$8,891 \$401,996

2007	2007 January	2007 February	2007 March	2007 April	2007 May	2007 June	2007 July	2007 August	2007 September	2007 October	2007 November	2007 December	2007 TOTAL
PRINICIPAL													
Opening Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments													\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Rate Recoveries													\$0
Closing Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
INTEREST	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Opening Balance	\$198,449	\$199,565	\$200,681	\$201,797	\$202,913	\$204,029	\$205,145	\$206,261	\$207,377	\$208,493	\$209,743	\$210,993	
Carrying Charges	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,250	\$1,250	\$1,250	\$13,793
Closing Balalnce	\$199,565	\$200,681	\$201,797	\$202,913	\$204,029	\$205,145	\$206,261	\$207,377	\$208,493	\$209,743	\$210,993	\$212,242	
2008	2008 January	2008 February	2008 March	2008 April	2008 May	2008 June	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2008 TOTAL
PRINICIPAL													
Opening Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments													\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Data Davida	\$0	Φ0	4 0	ΦΟ	φυ	φυ	Φ0	φυ	φυ	φυ	φυ	φ0	
Rate Recoveries													\$0
Closing Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
INTEREST	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Opening Balance	\$212,242	\$213,492	\$214,742	\$215,991	\$216,983	\$217,975	\$218,967	\$219,782	\$220,596	\$221,411	\$222,225	\$223,040	
Carrying Charges	\$1,250	\$1,250	\$1,250	\$992	\$992	\$992	\$814	\$814	\$814	\$814	\$814	\$814	\$11,612
Closing Balalnce	\$213,492	\$214,742	\$215,991	\$216,983	\$217,975	\$218,967	\$219,782	\$220,596	\$221,411	\$222,225	\$223,040	\$223,854	

2009	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December	2009 TOTAL
PRINICIPAL													
Opening Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments													
													\$0 \$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rate Recoveries													\$0
Closing Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
INTEREST	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Opening Balance	\$223,854	\$224,450	\$225,046	\$225,641	\$225,884	\$226,128	\$226,371	\$226,504	\$226,638	\$226,772	\$226,906	\$227,039	
Carrying Charges	\$596	\$596	\$596	\$243	\$243	\$243	\$134	\$134	\$134	\$134	\$134	\$134	\$3,318
Closing BalaInce	\$224,450	\$225,046	\$225,641	\$225,884	\$226,128	\$226,371	\$226,504	\$226,638	\$226,772	\$226,906	\$227,039	\$227,173	
oreening Durantee	V22.1,100	\$220,010	Ψ220,011	\$220,00 .	\$220,120	\$220,0. 1	Ψ220,001	Ψ220,000	\$220,112	Ψ220,000	\$22. 1,000	\$227,170	
2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
PRINICIPAL													
Opening Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments													Φ0
													\$0 \$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rate Recoveries													\$0
Closing Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
INTEREST	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Opening Balance	\$227,173	\$227,307	\$227,440	\$227,574	\$227,708	\$227,842	\$227,975	\$228,192	\$228,408	\$228,625	\$228,916	\$229,208	
Carrying Charges	\$134	\$134	\$134	\$134	\$134	\$134	\$216	\$216	\$216	\$292	\$292	\$292	\$2,327
Closing Balaince	\$227,307	\$227,440	\$227,574	\$227,708		\$227,975	\$228,192	\$228,408		\$228,916			. ,
Closing Dalaince	ΨΖΖ1,301	ψ <u>ζ</u> ζι, 14 0	ΨΖΖΙ, 314	ΨΖΖΙ,ΙΟΟ	ΨΖΖΙ,04Ζ	ΨΖΖΙ,313	ψΖΖΟ, 19Ζ	ΨΖΖΟ,400	ΨΖΖΟ,0ΖΟ	ΨΖΖΟ,910	ΨΖΖΘ,ΖΟΟ	ΨΖΖΘ,300	

2011	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	2011 July	2011 August	2011 September	2011 October	2011 November	2011 December	2011 TOTAL
PRINICIPAL													
Opening Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments													\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Rate Recoveries													\$0
Closing Balance	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
INTEREST	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Opening Balance	\$229,500	\$229,857	\$230,215	\$230,572	\$230,929	\$231,287	\$231,644	\$232,002	\$232,359	\$232,716	\$233,074	\$233,431	
Carrying Charges	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$357	\$4,289
Closing BalaInce	\$229,857	\$230,215	\$230,572	\$230,929	\$231,287	\$231,644	\$232,002	\$232,359	\$232,716	\$233,074	\$233,431	\$233,789	
2012 Projected	2012 January	2012 February	2012 March	2012 April	2012 May	2012 June	2012 July	2012 August					2012 TOTAL
PRINICIPAL		-											
Opening Balance	\$291,759	\$004.750											
		\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments		\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	\$291,759	
Additions / Adjustments	\$0	\$291,759	\$291,759	\$291,759 \$0	\$291,759 \$0	\$291,759 \$0	\$291,759 \$0	\$291,759 \$0		\$291,759	\$291,759 \$0		\$0 \$0 \$0
Additions / Adjustments Rate Recoveries	\$0	. ,											\$0
	\$0 \$291,759	. ,											\$0 \$0
Rate Recoveries		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 \$0
Rate Recoveries Closing Balance	\$291,759	\$0 \$291,759	\$0	\$0	\$0	\$0	\$0 \$0						
Rate Recoveries Closing Balance INTEREST	\$291,759 1.47%	\$0 \$291,759 1.47%	\$0	\$0 \$291,759	\$0 \$291,759	\$291,759	\$0 \$0						