

**Entegrus Powerlines Inc.** 

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entegrus.com

July 20, 2012

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

Re: Account 1562 Deferred PILs, Interrogatory Responses

Rate Zone: Chatham-Kent Board File No.: EB-2012-0097

Dear Ms. Walli,

Please find enclosed the responses of Entegrus to Board Staff interrogatories relating to the above mentioned file.

If you have any further questions, please do not hesitate to contact me at (519) 352-6300, extension 243 or regulatory@entegrus.com.

Regards,

[Original Signed By]

Andrya Eagen Senior Regulatory Specialist Phone: 519-352-6300 Ext 243

Email: andrya.eagen@entegrus.com

cc: Dan Charron, President

Chris Cowell, Chief Financial and Regulatory Officer

David Ferguson, Director of Regulatory and Risk Management





### **Disposition of Account 1562 – Deferred PILs**

Interrogatory Responses Rate Zone: Chatham-Kent Board File No.: EB-2012-0097 Date Filed: July 20, 2012

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#### **Board Staff – Question 1**

Reference: Appendix 25 PILs Recovery Worksheet, PILs Recoveries from Customers

A standard RAM provides the rate slivers associated with the PILs proxy amount approved by the Board for recovery from customers. CKH did not file a standard 2002 and 2004 RAM. The RAM provided separate rate slivers for each distribution area by rate class. Board staff was unable to verify the fixed and volumetric rate slivers used in the PILs revenue recovery sheets with the corresponding rate slivers from the Board-approved RAM.

CKH stated in the Manager's Summary that:

"During the 2001 to 2006 period when PILs rates were in effect, CKH had up to 11 different rate zones per rate class, with each rate zone having a different distribution rates per rate class. However, the billing determinants for that time period are available internally only in aggregate. For this reason, CKH has adopted a weighted average approach to each rate class. Specifically, a weighted average PILs sliver rate was determined for each rate class and applied to the aggregate billing determinants corresponding to each rate class."1

Appendix 26 Rate Calculation Support provides the calculation of approved PILs in rates in PDF. Board staff was unable to confirm that the Board-approved service charge and variable rates calculated in the 2002, 2004 and 2005 RAM were used.

A. Please provide a rate calculation model in active Excel format that shows how the weighted average rates were calculated using the Board-approved service charge and variable rates for the 11 distribution service areas from the RAM.

In the application evidence filed in 2002, 2004 and 2005, CKH provided statistics of demand data. In 2006 EDR, CKH also provided statistics for 2002-2004. The trend for the majority of distributors is that the PILs recoveries exceed the proxies for the full years of 2003, 2004 and 2005. PILs rates slivers were derived in 2002 using billing determinants estimated for the 2001 fiscal year. As demand and population grew, the PILs dollar amounts recovered were higher than the proxy set using 2001 billing determinants. The table below shows CKH's evidence from 2002 to 2006.

PILs Proxies vs. Recoveries	2002 partial	2003	2004	2005	2006 partial
PILs Proxies in Rates	1,497,696	1,979,328	1,618,104	1,660,188	571,451
PILs Recovery Calculations	1,664,343	1,986,025	1,540,603	1,693,936	562,759
Difference	-166,647	-6,697	77,501	-33,748	8,692

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B. Please explain why the PILs recoveries are much lower than one would expect in each year 2003 through 2006 as seen in the table below.

In the 2006 EDR, CKH also provided statistics for 2002-2004. The volumetric billing determinants for 10 months of 2002 appear to be lower than the full year statistics would indicate. Board staff prorated (10/12) the 2002 statistics as filed in the 2006 EDR application and compared the prorated volumes with those used in the PILs recovery calculations. The volumetric billing determinant statistics for 2003 and 2004 used in the recovery calculations do not agree with the statistics provided in previous applications.

Customer Class	Billing Parameter	Billed Consumption Mar. 1/02 to Dec 31/02	Prorated 2002 Statistics Filed in 2006 EDR	2002 Statistics Filed in 2006 EDR
Residential	kWh's	196,330,750	211,374,603	253,649,524
General Service < 50 KW	kWh's	85,095,554	94,780,059	113,736,071

Customer Class	Billing Parameter	Billed Consumption 2003	2003 Statistics Filed in 2006 EDR
Residential	kWh's	237,293,717	248,336,123
General Service < 50 KW	kWh's	102,379,732	113,875,682
General Service > 50 KW (inc. Interval)	kW's	1,011,896	1,024,013

Customer Class	Billing Parameter	Billed & Unbilled Consumption Jan 1/04 to Mar 31/04	Billed Consumption Apr 1/04 to Dec 31/04	Total Actual 2004	2004 Statistics Filed in 2006 EDR
Residential	kWh's	66,625,171	169,385,847	236,011,018	246,887,434
General Service < 50 KW	kWh's	26,883,447	75,080,743	101,964,190	113,339,502
General Service > 50 KW (inc. Interval)	kW's	246,115	782,577	1,028,691	1,043,301

- C. Please explain why the volumes shown as billed in 2002 are much lower than pro-rated actual volumes for the entire 2002 year.
- D. Please explain why CKH did not use the actual data filed in previous applications in the calculations of recoveries in this account 1562 PILs application for 2003 and 2004.
- E. If there are any adjustments that need to be made to the PILs recovery calculations, please update and file the revised PILs continuity schedule in active Excel format.

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#### Response

A. Please see enclosed spreadsheet titled "Entegrus-CK\_PILsRecoveryRates\_20120720.xls" for an active Excel copy of Attachment 26 of the application.

B. Entegrus notes that for the Application period, the amount of PILs collected by CKH (\$7.4 mil) did exceed the amount of PILs proxies in CKH rates (\$7.3 mil) by 1.7%. Entegrus is not familiar with the circumstances that may have led to other distributors collecting amounts for 2003-2005 in excess of their PILs proxies in rates. However, it has considered its own circumstances and can confirm that a historical error related to the billing determinants used for rate making purposes resulted in lower recoveries between 2003 and 2006 than Board Staff might have expected.

Specifically, Entegrus has determined that CKH inadvertently utilized gross billing determinant data (equivalent to wholesale purchases) for rate making purposes in its 2002, 2004 and 2005 rate applications (EB-2002-0090, EB-2004-0022 and EB-2005-0017 respectively). As a result, the consumption billing determinants were overstated for rate making purposes, and distribution rates (including proxy amounts for PILs) were lower than they would have been had the billing determinants net of line losses been used. CKH also reported these gross values to the Board rather than the net values that should have been reported pursuant to the Board's Reporting and Record-keeping Requirements. Consequently, when CKH billed customers on the basis of consumption net of line losses during the 2003-2006 period, the amount of PILs collected was less than would have been expected based on the determinants reported to the Board during the relevant period.

C. Consistent with (B) above, throughout the Application period, CKH inadvertently reported billing determinant statistics for regulatory reporting purposes on a gross basis. This includes the use of gross billing determinants in the 2006 EDR (EB-2005-0350) figures cited above by Board Staff.

Entegrus has determined that CKH changed its reporting procedure in 2007 and starting for 2006 and thereafter submitted annual RRR filings and completed rate-making models utilizing consumption billing statistics net of wholesale line losses.

Subsequently, in CKH's 2010 Cost of Service application (EB-2009-0261), CKH utilized the appropriate 2002-2006 historic billing determinant statistics, net of line losses. This can be seen in the Loss Adjustment Factor analysis shown as Table 8-17 of CKH's 2010 application<sup>1</sup>. For informational purposes, CKH has completed a reconciliation of the values presented in Table 8-17 in EB-2009-0261 and the billing determinant statistics included in this Application, in order to show that the values used are the same. Please see Attachment A for this reconciliation.

The billing determinant statistical comparisons provided by Board Staff in this interrogatory, however, are not based on the statistics used in EB-2009-0261. Instead, they are based on the

<sup>&</sup>lt;sup>1</sup> Chatham-Kent Hydro COS EB-2009-0261, Exhibit 8, Tab 1, Schedule 6, Page 1 of 2, Filed October 5, 2009. This is available on the Board's website here.

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2006 EDR application, which presented and used billing determinant statistics on a gross basis for rate making purposes. Further, the values from Tab 6-2 of the 2006 EDR application used by Board Staff to produce the statistical comparisons in this interrogatory were inclusive of other normalization adjustments for rate setting purposes at that time. Specifically, these normalizations reflected the loss of a Large Use customer and multiple customer rate reclassifications between GS<50 kW and GS>50 kW rate classes. These normalizations were made within the EB-2005-0350 rate application only, and were done on a prospective basis for

In the tables immediately below, CKH has prepared updated versions of the billing determinant statistical comparisons. These updated versions appropriately utilize:

i. Billing determinants net of wholesale line losses; and,

rate making purposes.

ii. Pre-normalized billing determinant statistics (in other words, the billing determinants exclude the prospective rate setting normalization adjustments made in CKH's 2006 EDR application).

Entegrus submits that these updated comparisons show pro-rated numbers that appropriately approximate the billing determinant statistics used in the current Application. The residual variances are consistent with the use of straight-line pro-ration versus the seasonal variations actually experienced by electrical distributors on a month-to-month basis.

Table 1C-1: Residential kWh Comparison for 2002												
	(A)	(B)	(C)									
Description	2006 EDR (Exclusive of the Netting of Line Losses)	Adjusted per 2010 COS (Inclusive of the Netting of Line Losses)	Current Application (Inclusive of the Netting of Line Losses)									
Jan/02 – Dec/02	253,649,524	239,709,932										
Mar/02 – Dec/02 (Pro-rate columns (A) & (B) by 10/12)	211,374,603	199,758,277	196,330,750									

Table 1C-2: General Service <50 kWh Comparison for 2002												
	(A)	(B)	(C)									
Description	2006 EDR (Exclusive of the Netting of Line Losses)	Adjusted per 2010 COS (Inclusive of the Netting of Line Losses)	Current Application (Inclusive of the Netting of Line Losses)									
Jan/02 – Dec/02	113,736,071	103,471,913										
Mar/02 – Dec/02 (Pro-rate columns (A) & (B) by 10/12)	94,780,059	86,226,594	85,095,554									

D. As described in (B) and (C) above, for the purposes of this Application, Entegrus did not use the billing statistic data actually filed in the 2006 EDR application, as that data did not net wholesale line losses from the billing determinant statistics and that data had been normalized for ratemaking purposes. Rather, for this Application, Entegrus utilized the actual statistics that were used to bill customers – specifically, total billed kWh's inclusive of the netting of line losses. In

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doing so, Entegrus has sought to reflect in the Application the true amount of PILs dollars actually billed to customers for the Application period.

E. Not applicable.

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#### **Board Staff – Question 2**

Reference: 2001 through 2005 SIMPIL models, Gains on Disposals of Fixed Assets, Taxable Capital

**Gains and Terminal Loss** 

CKH 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. CKH continued to receive the return on these assets from ratepayers even though it may have disposed of assets during the period 2001 through 2005.

- A. Please explain why the variances caused by disposals of fixed assets that CKH input on TAXREC sheet and TAXREC2 sheet should true up to ratepayers in the 2001 through 2005 SIMPIL models.
- B. Please explain why the variances caused by taxable capital gains that CKH input on TAXREC2 sheet should true up to ratepayers in the 2003 and 2005 SIMPIL models.
- C. Please explain why the variances caused by the terminal loss that CKH input on TAXREC2 sheet should true up to ratepayers in the 2005 SIMPIL model.
- D. If CKH agrees that it should not true up to ratepayers, please move the fixed asset transactions to the SIMPIL model TAXREC3 sheet and update the PILs continuity schedule and final balance for disposition.

#### Response

A. – D. Entegrus has further reviewed the fixed asset transactions referenced above for the periods 2001-2005, and agrees that these transactions should not true up to ratepayers. Accordingly, Entegrus has moved these transactions to the SIMPIL model TAXREC3 sheet and has updated the PILs continuity schedule and final balance for disposition.

Please see following Attachments for copies of the updated SIMPIL models:

- Attachment B: Account 1562 Detailed Continuity Schedule
- Attachment C: 2001 Revised SIMPIL Model
- Attachment D: 2002 Revised SIMPIL Model
- Attachment E: 2003 Revised SIMPIL Model
- Attachment F: 2004 Revised SIMPIL Model
- Attachment G: 2005 Revised SIMPIL Model

These models have also been filed in live Excel format.

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# Attachment A Reconciliation of 2002-2006 Historic Billing Determinant Statistics

#### Entegrus Powerlines Inc. - Chatham- Kent Account 1562 Deferred PILs, IR Responses, Attachment A Retail Billing Determinants by Rate Class

Table 1 - I	Retail Billed kWh											
Year	Time Period	Residential	GS<50	GS>50 to 4,999	GS>50 to 4,999	GS>50 to 4,999	Large Use	Street Lighting	Sentinel Lighting	Total	As Reported in	Variance
				kW	kW - Interval	kW - TOU					Table 8-17	
											(EB-2009-0261)	
	Jan-Feb	43,379,183	18,376,359	62,181,614	-	9,799,258	11,975,523	1,693,814	74,867	147,480,618		
2002	Mar-Apr *	38,846,476	16,934,523	43,651,203	17,328,979	9,610,632	12,788,807	1,397,680	81,068	140,639,369		
2002	May-Dec *	157,484,274	68,161,031	178,079,591	95,310,183	61,007,755	54,473,372	4,714,281	297,892	619,528,378	619,528,378	(0)
	Total	239,709,933	103,471,913	283,912,408	112,639,162	80,417,645	79,237,702	7,805,776	453,827	907,648,364		
2003	Jan-Dec	237,293,717	102,019,564	224,981,815	153,424,967	63,287,744	69,060,425	7,707,234	400,269	858,175,736	858,175,736	(0)
	Jan-Mar	66,625,171	26,883,447	56,846,559	38,202,414	14,299,306	14,905,242	2,229,999	106,924	220,099,060		
2004	Apr-Dec	169,385,847	75,080,743	160,360,583	137,209,432	55,728,909	44,576,483	5,334,854	314,445	647,991,296		
	Total	236,011,018	101,964,190	217,207,142	175,411,845	70,028,215	59,481,724	7,564,852	421,369	868,090,356	868,090,356	0
	Jan-Mar	69,632,658	27,573,864	58,680,571	41,482,636	14,698,189	12,593,718	2,303,638	108,272	227,073,546		
2005	Apr-Dec	185,656,469	80,313,695	161,196,537	145,892,673	62,066,559	41,012,256	5,303,434	305,426	681,747,048		
	Total	255,289,127	107,887,559	219,877,108	187,375,309	76,764,748	53,605,974	7,607,072	413,698	908,820,594	908,820,594	0
	Jan-Apr	81,611,348	35,521,956	75,205,116	57,303,049	20,962,381	17,720,168	2,698,785	136,803	291,159,606		
2006	May-Dec	157,996,166	68,312,097	130,571,911	121,037,042	52,202,785	37,005,902	3,963,910	275,010	571,364,823		
	Total	239,607,514	103,834,053	205,777,027	178,340,091	73,165,166	54,726,070	6,662,695	411,813	862,524,429	862,524,429	-

Table 2 - I	Retail Billed kW											
Year	Time Period	Residential	GS<50	GS>50 to 4,999 kW	GS>50 to 4,999 kW - Interval	GS>50 to 4,999 kW - TOU	Large Use	Street Lighting	Sentinel Lighting	Total	As Reported in Table 8-17 (EB-2009-0261)	Variance
	Jan-Feb	-	-	162,268	-	20,800	31,037	3,590	226	217,921		
2002	Mar-Apr *	-	-	123,525	35,301	20,127	32,524	3,590	226	215,292		
2002	May-Dec *	-	-	505,541	205,991	124,225	132,954	15,046	909	984,665	n/a	n/a
	Total	-	-	791,334	241,292	165,152	196,515	22,225	1,361	1,417,879		
2003	Jan-Dec	-	35,901	662,238	349,658	141,975	196,211	22,715	1,216	1,409,914	n/a	n/a
	Jan-Mar	-	10,501	158,874	87,240	33,929	43,145	5,679	268	339,636		
2004	Apr-Dec	-	27,894	482,213	300,363	129,704	112,620	17,036	803	1,070,635		
	Total	-	38,395	641,087	387,604	163,633	155,766	22,715	1,071	1,410,271	n/a	n/a
	Jan-Mar	-	3,292	157,351	94,396	40,878	30,028	5,679	285	331,909		
2006	Apr-Dec	-	13,599	457,932	324,416	140,017	88,932	17,035	864	1,042,795		
	Total	-	16,891	615,283	418,812	180,895	118,961	22,714	1,149	1,374,704	n/a	n/a
	Jan-Apr	-	-	200,065	132,061	46,484	40,102	6,867	381	425,960		-
2006	May-Dec	-	-	403,707	270,454	131,096	85,900	13,266	1,390	905,813		
	Total	-	-	603,772	402,515	177,580	126,002	20,133	1,771	1,331,773	n/a	n/a

 $<sup>\</sup>ensuremath{^*}$  Billing Determinants included in the Application are the sum of March to December 2002.

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## Attachment B Account 1562 Detailed Continuity Schedule

Description	2001												
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,544	\$321,088	\$0
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,544	\$160,544	\$160,544	\$481,632
True-Up Variance Adjustment	Ç	γo	70	, , , , , , , , , , , , , , , , , , ,	70	\$0		ÇÜ	ÇÜ	7100,544	7100,544	\$100,544	\$0
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,544	\$321,088	\$481,632	\$481,632
Closing balance	Ş0	<b>30</b>	ŞU	ŞU	, ŞU	30	Ş0	ŞU	ŞU	\$160,544	3321,000	3461,032	3461,632
Interest													
Prescribed Rate										7.25%	7.25%	7.25%	
Days in Month										31	30	31	
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$957	\$0
Carrying Charges	\$0	\$0	\$0	\$0				\$0	\$0	\$0	\$957	\$1,977	
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$957	\$2,934	\$2,934

Description							2002						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$481,632	\$606,440	\$731,248	\$689,622	\$647,995	\$606,369	\$558,126	\$516,500	\$474,874	\$433,248	\$391,621	\$349,995	\$481,632
Board Approved PILs Proxy Amts	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$124,808	\$1,497,696
True-Up Variance Adjustment	\$124,000	\$124,000	Ç124,000	\$124,000	Ç12-1,000	-\$6,617	Ç124,000	Ç12-1,000	<b>712</b> 4,000	\$124,000	7124,000	<b>Ψ124,000</b>	-\$6,617
Rate Recoveries	\$0	\$0	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$166,434	-\$1,664,343
Closing Balance	\$606,440	\$731,248	\$689,622	\$647,995	\$606,369	\$558,126	\$516,500	\$474,874	\$433,248	\$391,621	\$349,995	\$308,369	\$308,369
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$2,934	\$5,899	\$9,272	\$13,775	\$17,884	\$21,874	\$25,488	\$28,924	\$32,105	\$34,934	\$37,602	\$39,936	\$2,934
Carrying Charges	\$2,966	\$3,373	\$4,503	\$4,109	\$3,990	\$3,613	\$3,437	\$3,180	\$2,830	\$2,668	\$2,334	\$2,155	\$39,157
Closing Balance	\$5,899	\$9,272	\$13,775	\$17,884	\$21,874	\$25,488	\$28,924	\$32,105	\$34,934	\$37,602	\$39,936	\$42,091	\$42,091

Description							2003						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$308,369	\$307,811	\$307,252	\$306,694	\$306,136	\$305,578	\$309,793	\$309,235	\$308,677	\$308,119	\$307,561	\$307,003	\$308,369
Board Approved PILs Proxy Amts	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$164,944	\$1,979,328
True-Up Variance Adjustment	, .	, , ,	,		, , ,	\$4,773	, , ,	, , , ,	, , , ,	, , , ,	, , ,	, , ,	\$4,773
Rate Recoveries	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$165,502	-\$1,986,025
Closing Balance	\$307,811	\$307,252	\$306,694	\$306,136	\$305,578	\$309,793	\$309,235	\$308,677	\$308,119	\$307,561	\$307,003	\$306,445	\$306,445
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$42,091	\$43,990	\$45,702	\$47,594	\$49,421	\$51,306	\$53,127	\$55,035	\$56,939	\$58,778	\$60,675	\$62,508	\$42,091
Carrying Charges	\$1,899	\$1,712	\$1,892	\$1,828	\$1,885	\$1,821	\$1,908	\$1,904	\$1,839	\$1,897	\$1,833	\$1,890	\$22,308
Closing Balance	\$43,990	\$45,702	\$47,594	\$49,421	\$51,306	\$53,127	\$55,035	\$56,939	\$58,778	\$60,675	\$62,508	\$64,399	\$64,399

Description							2004						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$306,445	\$275,847	\$245,249	\$214,651	\$233,461	\$252,272	\$218,321	\$237,132	\$255,942	\$274,753	\$293,564	\$312,374	\$306,445
Board Approved PILs Proxy Amts	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$134,842	\$1,618,104
True-Up Variance Adjustment	, , ,	, , ,	,	, .		-\$52,761	, .	, .	, , ,	, .	, , , ,	, , , ,	-\$52,761
Rate Recoveries	-\$165,440	-\$165,440	-\$165,440	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$116,031	-\$1,540,603
Closing Balance	\$275,847	\$245,249	\$214,651	\$233,461	\$252,272	\$218,321	\$237,132	\$255,942	\$274,753	\$293,564	\$312,374	\$331,185	\$331,185
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$64,399	\$66,285	\$67,874	\$69,385	\$70,664	\$72,101	\$73,604	\$74,949	\$76,409	\$77,934	\$79,626	\$81,375	\$64,399
Carrying Charges	\$1,887	\$1,589	\$1,510	\$1,279	\$1,438	\$1,503	\$1,344	\$1,460	\$1,525	\$1,692	\$1,749	\$1,923	\$18,900
Closing Balance	\$66,285	\$67,874	\$69,385	\$70,664	\$72,101	\$73,604	\$74,949	\$76,409	\$77,934	\$79,626	\$81,375	\$83,299	\$83,299

Description							2005						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Duinainal													
Principal Opening Palance	6224 405	6227.442	6242.640	¢240.000	6244.042	6220.247	6472 200	6467.554	6464 720	Ć4FF 002	6450.077	6444.252	6224 405
Opening Balance	\$331,185	\$337,412	\$343,640	\$349,868	\$344,042	\$338,217	\$173,380	\$167,554	\$161,729	\$155,903	\$150,077	\$144,252	\$331,185
Board Approved PILs Proxy Amts	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$138,349	\$1,660,188
True-Up Variance Adjustment						-\$159,011							-\$159,011
Rate Recoveries	-\$132,121	-\$132,121	-\$132,121	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$144,175	-\$1,693,936
Closing Balance	\$337,412	\$343,640	\$349,868	\$344,042	\$338,217	\$173,380	\$167,554	\$161,729	\$155,903	\$150,077	\$144,252	\$138,426	\$138,426
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$83,299	\$85,338	\$87,214	\$89,330	\$91,415	\$93,534	\$95,549	\$96,617	\$97,648	\$98,612	\$99,572	\$100,466	\$83,299
Carrying Charges	\$2,039	\$1,877	\$2,116	\$2,085	\$2,118	\$2,015	\$1,068	\$1,032	\$964	\$960	\$894	\$888	\$18,056
Closing Balance	\$85,338	\$87,214	\$89,330	\$91,415	\$93,534	\$95,549	\$96,617	\$97,648	\$98,612	\$99,572	\$100,466	\$101,355	\$101,355

Description							2006						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$138,426	\$140,599	\$142,772	\$144,945	\$147,118	\$147,118	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$138,426
Board Approved PILs Proxy Amts	\$142,863	\$142,863	\$142,863	\$142,863	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$571,451
True-Up Variance Adjustment						\$326							
Rate Recoveries	-\$140,690	-\$140,690	-\$140,690	-\$140,690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$562,759
Closing Balance	\$140,599	\$142,772	\$144,945	\$147,118	\$147,118	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,118
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$101,355	\$102,207	\$102,989	\$103,868	\$104,361	\$104,879	\$105,379	\$105,954	\$106,529	\$107,085	\$107,660	\$108,216	\$101,355
Carrying Charges	\$852	\$782	\$879	\$493	\$517	\$501	\$575	\$575	\$556	\$575	\$556	\$575	\$7,436
Closing Balance	\$102,207	\$102,989	\$103,868	\$104,361	\$104,879	\$105,379	\$105,954	\$106,529	\$107,085	\$107,660	\$108,216	\$108,791	\$108,791

Description							2007						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$108,791	\$109,366	\$109,885	\$110,460	\$111,016	\$111,591	\$112,147	\$112,722	\$113,296	\$113,853	\$114,496	\$115,119	\$108,791
Carrying Charges	\$575	\$519	\$575	\$556	\$575	\$556	\$575	\$575	\$556	\$644	\$623	\$644	\$6,972
Closing Balance	\$109,366	\$109,885	\$110,460	\$111,016	\$111,591	\$112,147	\$112,722	\$113,296	\$113,853	\$114,496	\$115,119	\$115,763	\$115,763

Description							2008						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31	
	4445 760	446.407	4447.000	4447.650	4440447	4110.550	4110.150	4440 570	4440.004	4400.00=	4122.017	4424 222	4445 760
Opening Balance	\$115,763	\$116,407	\$117,009	\$117,652	\$118,147	\$118,658	\$119,152	\$119,572	\$119,991	\$120,397	\$120,817	\$121,223	\$115,763
Carrying Charges	\$644	\$602	\$644	\$494	\$511	\$494	\$420	\$420	\$406	\$420	\$406	\$420	\$5,879
Closing Balance	\$116,407	\$117,009	\$117,652	\$118,147	\$118,658	\$119,152	\$119,572	\$119,991	\$120,397	\$120,817	\$121,223	\$121,642	\$121,642

Description							2009						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$121,642	\$121,949	\$122,226	\$122,533	\$122,654	\$122,779	\$122,901	\$122,969	\$123,038	\$123,105	\$123,174	\$123,240	\$121,642
Carrying Charges	\$307	\$277	\$307	\$121	\$125	\$121	\$69	\$69	\$67	\$69	\$67	\$69	\$1,667
Closing Balance	\$121,949	\$122,226	\$122,533	\$122,654	\$122,779	\$122,901	\$122,969	\$123,038	\$123,105	\$123,174	\$123,240	\$123,309	\$123,309

Description							2010						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0	·	·					
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$123,309	\$123,378	\$123,440	\$123,509	\$123,576	\$123,645	\$123,711	\$123,823	\$123,934	\$124,042	\$124,192	\$124,338	\$123,309
Carrying Charges	\$69	\$62	\$69	\$67	\$69	\$67	\$111	\$111	\$108	\$150	\$145	\$150	\$1,179
Closing Balance	\$123,378	\$123,440	\$123,509	\$123,576	\$123,645	\$123,711	\$123,823	\$123,934	\$124,042	\$124,192	\$124,338	\$124,488	\$124,488

Description							2011						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$124,488	\$124,672	\$124,839	\$125,023	\$125,201	\$125,385	\$125,563	\$125,747	\$125,931	\$126,109	\$126,293	\$126,472	\$124,488
Carrying Charges	\$184	\$166	\$184	\$178	\$184	\$178	\$184	\$184	\$178	\$184	\$178	\$184	\$2,167
Closing Balance	\$124,672	\$124,839	\$125,023	\$125,201	\$125,385	\$125,563	\$125,747	\$125,931	\$126,109	\$126,293	\$126,472	\$126,656	\$126,656

Description							2012						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444	\$147,444
Interest													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%									
Days in Month	31	29	31	30									
Opening Balance	\$126,656	\$126,840	\$127,012	\$127,196	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$126,656
Carrying Charges	\$184	\$172	\$184	\$178	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$719
Closing Balance	\$126,840	\$127,012	\$127,196	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374	\$127,374

GRAND TOTAL \$274,818.14



Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0097

Date Filed: July 20, 2012

#### Attachment C 2001 Revised SIMPIL Model

#### Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor Chatham-Kent Hydro Inc.

OEB File Number EB-2012-0097

Filing Year 2001

Г	A	В	С	D	Е
1	PILS TAXES			•	Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
4	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2001			Colour Code Input Cell	
5	Reporting period. 2001			Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
9	BACKGROUND				
10					
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)				
19 20	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	LCT OCT	Y/N	Y 68%	
22		LCT		64%	
24 24	Accounting Year End		Date	31-Dec-01	
26	MARR NO TAX CALCULATIONS	1			Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29 30	USE BOARD-APPROVED AMOUNTS				
31	Rate Base (wires-only)			45,653,588	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			6.05%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			3,035,964	
72					700 470
43	1999 return from RUD Sheet #7			786,476	786,476
45 46	Total Incremental revenue Input: Board-approved dollar amounts phased-in			2,249,488	
47	Amount allowed in 2001			1,077,000	1,077,000
48	Amount allowed in 2002				0
49 50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
51	unless authorized by the Minister and the Board) Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
52 53 54	Total Boundary Income				0 1,863,476
55	Total Regulatory Income				1,863,476
56	Equity			22,826,794	
57 58	Return at target ROE			1,381,021	
59	Retuin at target ROE			1,301,021	
60	Debt			22,826,794	
61 62	Deemed interest amount in 100% of MARR			1,654,943	
63				1,004,943	
	Phase-in of interest - Year 1 (2001)			1,015,805	
65 66	((D43+D47)/D41)*D61 Phase-in of interest - Year 2 (2002)			1,015,805	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,015,805	
69 70	((D43+D47+D48)/D41)*D61 (due to Bill 210) Phase-in of interest - 2005			1,654,943	
71				.,00.,040	·
72					

_							
1	PILS TAXES	ITEM	C Initial	D E M of F	F M of F	G Tax	Н
2	PILS DEFERRAL AND VARIANCE ACCOUNTS	IIEW	Estimate	Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)  0			K-C	Explanation	Version 2009.1	
6	Utility Name: Chatham-Kent Hydro Inc.						
7 8	Reporting period: 2001					Column	
9	Days in reporting period:	92	days			Brought	
10	Total days in the calendar year:	365	days			From	
10 11 12			\$	\$		TAXREC \$	
13							
14 15	I) CORPORATE INCOME TAXES						
16	Regulatory Net Income REGINFO E53	1	465,869	-1,486,068		-1,020,199	
17	DOOK TO TAY AD HIGTNENTO						
	BOOK TO TAX ADJUSTMENTS  Additions:						
20	Depreciation & Amortization	2	633,252	23,602		656,854	
22	Employee Benefit Plans - Accrued, Not Paid Tax reserves - beginning of year	3 4	78,750	-78,750		0	
23	Reserves from financial statements - end of year	4	70,700	654,860		654,860	
24	Regulatory Adjustments - increase in income Other Additions (See Tab entitled "TAXREC")	5		0		0	
26	"Material" Items from "TAXREC" worksheet	6		0		0	
25 26 27 28	Other Additions (not "Material") "TAXREC"	6		0		0	
29	"Material Items from "TAXREC 2" worksheet Other Additions (not "Material") "TAXREC 2"	6 6		0		0	
30	Items on which true-up does not apply "TAXREC 3"			2,381		2,381	
31 32							
33	Deductions: Input positive numbers Capital Cost Allowance and CEC	7	229,702	529,393	1	759,095	
34	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8	54,000	-54,000		0	
35	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	9 10		0	1	0	
37	Interest Expense Deemed/ Incurred	11	253,951	168,392	1	422,343	
38	Tax reserves - end of year Reserves from financial statements - beginning of year	4		169,924 470,820	1	169,924 470,820	
40	Contributions to deferred income plans	3		470,020	]	470,020	
41	Contributions to pension plans	3		0		0	
43	Interest capitalized for accounting but deducted for tax Other Deductions (See Tab entitled "TAXREC")	11		0	1	0	
44	"Material" Items from "TAXREC" worksheet	12		0	1	0	
45 46	Other Deductions (not "Material") "TAXREC"  Material Items from "TAXREC 2" worksheet	12 12		0	1	0	
47	Other Deductions (not "Material") "TAXREC 2"	12		0	1	0	
48	Items on which true-up does not apply "TAXREC 3"			13,904		13,904	
49 50	TAXABLE INCOME/ (LOSS)		640,218	(2,182,408)	Before loss C/F	(1,542,190)	
51			010,210	(2,102,100)	20.010 1000 0/1	(1,012,100)	
52 53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%	0.0000%		40.62%	
54	Tab Tax Nates - Regulatory from Table 1, Actual from Table 3	13	40.02 /0	0.000078		40.02 /8	
55	REGULATORY INCOME TAX		260,056	-260,056	Actual	0	
56 57							
58	Miscellaneous Tax Credits	14		0	Actual	0	
59 60	Total Regulatory Income Tax	l	260,056	-260,056	Actual	0	
61	Total Regulatory Income Tax		200,030	-200,030	Actual	0	
62	ID CARITAL TAYED						
63 64	II) CAPITAL TAXES						
65	Ontario						
66 67	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	15 16	45,653,588 5,000,000	4,109,055 -1,624,818		49,762,643 3,375,182	
68	Taxable Capital		40,653,588	2,484,237		46,387,461	
69 70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71		.,					
72 73	Ontario Capital Tax		30,490	29,536	Overpaid	60,026	
74	Federal Large Corporations Tax						
75	Base	18	45,653,588	4,211,296		49,864,884	
76 77	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	19	10,000,000 35,653,588	-3,620,962 590,334	1	6,379,038 43,485,846	
78					]		
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%	1	0.2250%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		20,055	20,959		41,014	
82 83	Less: Federal Surtax 1.12% x Taxable Income	21	7,170	-7,170	1	0	
84	Net LCT		12,885	28,129	1	41,014	
85 86	III) INCLUSION IN RATES						
87		ĺ					
88 89	Income Tax Rate used for gross- up (exclude surtax)	ĺ	39.50%				
QΩ	Income Tax (proxy tax is grossed-up)	22	429,845		Actual 2001	0	
91 92 93	LCT (proxy tax is grossed-up) Ontario Capital Tax (no gross-up since it is deductible)	23 24	21,297		Actual 2001	24,662 35,077	
93	Ontaino Capital Lax (110 gioss-up sittle it is deductible)	24	30,490		Actual 2001	35,0//	
94			101				
95 96	Total PILs for Rate Adjustment MUST AGREE WITH 2002 RAM DECISION	25	481,633		Actual 2002	59,739	
97	ITAIII DEGIGIOTE						
98	IV) FUTURE TRUE-UPS						
100	IV a) Calculation of the True-up Variance			DR/(CR)			
101	In Additions:	_		<u> </u>	1		
102 103	Employee Benefit Plans - Accrued, Not Paid Tax reserves deducted in prior year	3 4		-78,750	1		
104	Reserves from financial statements-end of year	4		654,860	1		
105	Regulatory Adjustments Other additions "Material" Items TAXREC	5 6		0	1		
107	Other additions "Material" Items TAXREC 2	6		0	]		
108	In Deductions - positive numbers			E4.000	1		
109 110	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8 9		-54,000 0	1		
111	Regulatory Adjustments	10		0			
113	Interest Adjustment for tax purposes (See Below - cell I204) Tax reserves claimed in current year	11 4		169,924	1		
114	Reserves from F/S beginning of year	4		470,820			
115 116	Contributions to deferred income plans Contributions to pension plans	3		0	1		
117	Other deductions "Material" Items TAXREC	12		0	1		
118 119	Other deductions "Material" Item TAXREC 2	12		0	1		
120	Total TRUE-UPS before tax effect	26		-10,634	1		
121					1		

2001\_1562\_Disposition\_PILs\_Model\_20120720 TAXCALC

	Α Ι	В	С	ь	F	F	G	Н
1 PILs	TAXES	ITEM	Initial	В	M of F	M of F	Tax	
2 PILs	DEFERRAL AND VARIANCE ACCOUNTS CALCULATIONS (TAXCALC)		Estimate		Filing Variance	Filing Variance	Returns	
4 ("Wir	es-only" business - see Tab TAXREC)				K-C	Explanation		
5 6 Utilit	y Name: Chatham-Kent Hydro Inc.						Version 2009.1	
	orting period: 2001						0-1	
	in reporting period:	92 365	days				Column Brought	
10 Total	days in the calendar year:	365	days				From TAXREC	
12			\$		\$		\$	
13 122 Incom	ne Tax Rate (including surtax) from 2001 Utility's tax return			v	40.62%			
123				Î				
124 Incon 125	ne Tax Effect on True-up adjustments			=	-4,320			
126 Less:	Miscellaneous Tax Credits	14			0			
	Income Tax on True-ups				-4,320			
129 130 Incon	ne Tax Rate used for gross-up (exclude surtax)				39.50%			
131								
132 TRUE 133	E-UP VARIANCE ADJUSTMENT			lŀ	(7,140)			
	Calculation of the Deferral Account Variance caused by changes in							
134 legis 135	slation							
REGI	ULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							
136 137				=	640,218			
	SED CORPORATE INCOME TAX RATE (including Surtax)			х	40.62%			
140 REVI	SED REGULATORY INCOME TAX			=	260,056			
141 142 Less:	Revised Miscellaneous Tax Credits			_	0			
143					-			
145	Revised Regulatory Income Tax			=	260,056			
146 Less:	Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	260,056			
147 148 Regu	latory Income Tax Variance			=	0			
149 150 Onta	rio Capital Tax			ŀ				
151 Base				=	45,653,588			
	Exemption from tab Tax Rates, Table 2, cell C39 sed deemed taxable capital			=	5,000,000 40,653,588			
154 155 Rate	- Tab Tax Rates cell C54			Ų	0.3000%			
156				^				
157 Revis 158 Less:	sed Ontario Capital Tax Ontario Capital Tax reported in the initial estimate column (Cell C70)			=	30,741 30,490			
159 Regu	latory Ontario Capital Tax Variance			=	251			
160 161 Fede	oral LCT							
162 Base 163 Less:	Exemption from tab Tax Rates, Table 2, cell C40			١	45,653,588 10,000,000			
164 Revis	sed Federal LCT			=	35,653,588			
165 166 Rate	(as a result of legislative changes) tab 'Tax Rates' cell C51			ŀ	0.2250%			
167					20,220			
169 Less:	s Amount Federal surtax			-	7,170			
170 Revis	sed Net LCT			= L	13,050			
172 Less:	Federal LCT reported in the initial estimate column (Cell C82)			-	12,885			
174	latory Federal LCT Variance			=	165			
	al Income Tax Rate used for gross-up (exclude surtax)				39.50%			
177 Incor	me Tax (grossed-up)			+	0			
	(grossed-up) rio Capital Tax			++	272 251			
180								
182	ERRAL ACCOUNT VARIANCE ADJUSTMENT			=	523			
183 TRUE 184	E-UP VARIANCE (from cell I130)			+	(7,140)			
185 Tota	l Deferral Account Entry (Positive Entry = Debit)			=	(6,617)			
186 (Defe	erral Account Variance + True-up Variance)			[				
188				Ц				
189 190 V) IN	TEREST PORTION OF TRUE-UP							
191 Varia	nnce Caused Bv Phase-in of Deemed Debt							
193 Total	deemed interest (REGINFO)				1,654,943			
	est phased-in (Cell C36)				1,015,805			
196 Varia	nce due to phase-in of debt component of MARR in rates				639,138			
197 acco	ording to the Board's decision			l [				
199 Othe	r Interest Variances (i.e. Borrowing Levels			ll				
201 Intere	ve Deemed Debt per Rate Handbook) est deducted on MoF filing (Cell K36+K41)				422,343			
202 Less:	Interest components excluded for true-up calculation purposes sted Interest				5,149 417,194	(Interest on customer deposits and capital tax)		
204 Total	deemed interest (REGINFO CELL D61)			l	1,654,943			
205	ince caused by excess debt			ŀ	0			
207								
208 Intere	est Adjustment for Tax Purposes (carry forward to Cell I110)				0			
	Interest Variance			Ш	639,138			

2001\_1562\_Disposition\_PILs\_Model\_20120720 TAXCALC

		В	С		E	F
1	PILS TAXES	B LINE	M of F	D Non-wires	□ □ □ Wires-only	Г
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	0		Return		Version 2009.1	
6	Section A: Identification:					
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2001 Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		92	days		
12	Please enter the Materiality Level :		0	< - enter materialit	v level	
14	(0.25% x Rate Base x CER)	Y/N	Y	onto matoriali	.,	
15	(0.25% x Net Assets)	Y/N	N			
16 17	Or other measure (please provide the basis of the amount)  Does the utility carry on non-wires related operation?	Y/N Y/N	N N			
	(Please complete the questionnaire in the Background questionnaire v					
19	N. O. C. INC. I D. C. T. HTAYON OF O. L. K					
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used. If required please change the descriptions except for amortization, interest e	expense	and provision for inc	come tax		
26						
	Please enter the non-wire operation's amount as a positive number, the pro in the "non-wires elimination column" as negative values in TAXREC and TA			amounts		
29		JANE UZ	•			
	Income:		10.010		10.0.0	
31	Energy Sales Distribution Revenue	+	16,213,708 709.556		16,213,708 709,556	
33	Other Income	+	193,301		193,301	
34	Miscellaneous income	+	0		0	
35	Revenue should be entered above this line	+			0	
37	Trevenue should be entered above this line					
	Costs and Expenses:		10.010.700		40.040.700	
39 40	Cost of energy purchased Administration	-	16,213,708 430,314		16,213,708 430,314	
41	Customer billing and collecting	-	281,306		281,306	
42	Operations and maintenance	-	554,582		554,582	
44	Amortization Ontario Capital Tax	-	656,854		656,854 0	
45	Reg Assets	-			0	
	Municipal property taxes Federal LCT	-			0	
48	r euerai LOT	-			0	
49						
	Net Income Before Interest & Income Taxes Less: Interest expense for accounting purposes	=	-1,020,199 422,343	C	-1,020,199 422,343	
52	Provision for payments in lieu of income taxes	-	422,040		0	
53	Net Income (loss) (The Net Income (loss) on the MoF column should equal to the net income (loss)	=	-1,442,542	C	-1,442,542	
54	per financial statements on Schedule 1 of the tax return. )					
55						
	Section C: Reconciliation of accounting income to taxable income From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	0	C	0	
	Federal large corporation tax Depreciation & Amortization	+	656,854	C	0 656,854	
62	Employee benefit plans-accrued, not paid	+	200,004	C	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)	+	654,860	C	654,860	
66	Items on which true-up does not apply "TAXREC 3"		2,381	C	2,381	
	Material addition items from TAXREC 2	+	0	C		
68	Other addition items (not Material) from TAXREC 2	+	0	C	0	
70	Subtotal		1,314,095	C	1,314,095	
71	Other Additional (Places explain the natives of the additional		<del>_</del>			
	Other Additions: (Please explain the nature of the additions) Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed DEPRECIATION DIFFERENCE	+			0	
77	DEFINEDIATION DIFFERENCE	+			0	
78		+			0	
79 80	Total Other Additions	+	0	C	0	
00	rotal Other Additions	=	0	U	0	

	A	В	С	D	Е	F
1	PILS TAXES	LINE	<u> </u>	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
81 82	Total Additions	_	1,314,095	0	1,314,095	
83	Total Additions	-	1,314,093	U <sub>I</sub>	1,314,093	
	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87 88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
	Total Other additions >materiality level		0	0	0	
	Other additions (less than materiality level)		0	0	0	
94 95	Total Other Additions		0	0	0	
	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	734,376		734,376	
98	Cumulative eligible capital deduction	-	24,719		24,719	
99	Employee benefit plans-paid amounts	-			0	
	Items capitalized for regulatory purposes	-			0	
101 102	Regulatory adjustments : CCA	-			0	
102		-			0	
-	Tax reserves - end of year	-	169,924	0	169,924	
	Reserves from financial statements- beginning of year	-	470,820	0	470,820	
	Contributions to deferred income plans	-			0	
	Contributions to pension plans	-	10.001		0	
	Items on which true-up does not apply "TAXREC 3"		13,904	0	13,904	
	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	other deduction from that that only from 17 back 2		Ŭ,	Ü	Ü	
113	Subtotal	=	1,413,743	0	1,413,743	
	Other deductions (Please explain the nature of the deductions)					
	Charitable donations - tax basis	-			0	
117	Gain on disposal of assets	-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121	T. (1D. 1. //		4 440 740		4 440 740	
122 123	Total Deductions	=	1,413,743	0	1,413,743	
	Recap Material Deductions:					
125	record wateriar Bedactions.		0	0	0	
126			0	0	0	
127			0	0	0	
128 129			0	0	0	
	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions exceed materiality level		0	0	0	
132			0	0	0	
133						
	TAXABLE INCOME	=	-1,542,190	0	-1,542,190	
	DEDUCT:					
136 137	Non-capital loss applied positive number  Net capital loss applied positive number	-			0	
138	ησι σαριται 1000 αργίτου ρυστίτνε παίπινει	-			0	
	NET TAXABLE INCOME	=	(1,542,190)	0	(1,542,190)	
140			, , , , , , , , , , , , , , , , , , , ,	_	, , , , , , , , , , , , , , , , , , , ,	
	FROM ACTUAL TAX RETURNS			-		
	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return) Subtotal	+	0	0	0	
	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0	U	0	
	Total Income Tax	=	0	0	0	
147						
	FROM ACTUAL TAX RETURNS			r		
	Net Federal Income Tax Rate (Must agree with tax return)		0.00%	-	0.00%	
151	Net Ontario Income Tax Rate (Must agree with tax return) Blended Income Tax Rate		0.00% 0.00%	*****	0.00% 0.00%	
152	Dichaed Intoffic Tax Nate		0.00%	L	0.00%	
153	Section F: Income and Capital Taxes					
154						
	RECAP					
156	Total Income Taxes	+	0	0	0	

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
157	Ontario Capital Tax	+	35,077		35,077	
158	Federal Large Corporations Tax	+	24,662		24,662	
159						
160		=	59,739	0	59,739	
161 162						
162						

	A	В	С	D	E	F
1	PILS TAXES	LINE	M of F	Non-wires	Wires-only	•
	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		)			Version 2009.1	
6						
7	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2001					
9						
	TAX RESERVES					
11	Deutenten of Vern	1			1	
13	Beginning of Year:				0	
	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
	Reserve for goods & services ss.20(1)(m)	1	0		0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	OPEB				0	
	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	- 1 (V	1 -			1	
	End of Year:					
25	Posonio for doubtful accounts as 20/4\/l\		169,924		0 169,924	
<u>∠0</u> 27	Reserve for doubtful accounts ss. 20(1)(l) Reserve for goods & services ss.20(1)(m)	1	109,924		169,924	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	OPEB		0		0	
	Other - Please describe		J		0	
32					0	
33					0	
	Insert line above this line	_				
	Total (carry forward to the TAXREC worksheet)		169,924	0	169,924	
36						
37	FINANCIAL STATEMENT RESERVES					
39	FINANCIAL STATEMENT RESERVES					
	Beginning of Year:	1 1				
41	beginning of real.					
42					0	
					0	
43	Environmental					
43 44	Environmental Allowance for doubtful accounts		0		0	
43 44 45	Allowance for doubtful accounts Inventory obsolescence		0		0	
43 44 45 46	Allowance for doubtful accounts Inventory obsolescence Property taxes				0 0 0 0	
43 44 45 46 47	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		0 470,820		0 0 0	
43 44 45 46 47 48	Allowance for doubtful accounts Inventory obsolescence Property taxes				0 0 0 0	
43 44 45 46 47 48 49	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe		470,820		0 0 0 0 0 470,820 0	
43 44 45 46 47 48 49 50	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB			0	0 0 0 0	
43 44 45 46 47 48 49 50	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)		470,820	0	0 0 0 0 0 470,820 0	
43 44 45 46 47 48 49 50 51 52	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe		470,820	0	0 0 0 0 0 470,820 0	
43 44 45 46 47 48 49 50	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)		470,820	0	0 0 0 0 0 470,820 0 470,820	
43 44 45 46 47 48 49 50 51 52 53 54	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)		470,820	0	0 0 0 0 0 470,820 0 470,820	
43 44 45 46 47 48 49 50 51 52 53 54 55 56	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts		470,820	0	0 0 0 0 0 470,820 0 470,820	
43 44 45 46 47 48 49 50 51 52 53 54 55 56	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence		470,820 470,820	0	0 0 0 0 0 470,820 0 470,820	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		470,820 470,820 169,924	0	0 0 0 0 470,820 0 470,820 0 0 0 169,924 0	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		470,820 470,820	0	0 0 0 0 0 470,820 0 470,820	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		470,820 470,820 169,924	0	0 0 0 0 470,820 0 470,820 0 0 0 169,924 0 0 484,936	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Regulatory Reserves		470,820 470,820 169,924	0	0 0 0 0 470,820 0 470,820 0 0 0 169,924 0	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Regulatory Reserves  Insert line above this line		470,820 470,820 169,924 484,936		0 0 0 0 470,820 0 470,820 0 0 0 169,924 0 0 484,936 0	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Regulatory Reserves		470,820 470,820 169,924	0	0 0 0 0 470,820 0 470,820 0 0 0 169,924 0 0 484,936	
43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62	Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Other - Please describe  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB Regulatory Reserves  Insert line above this line		470,820 470,820 169,924 484,936		0 0 0 0 470,820 0 470,820 0 0 0 169,924 0 0 484,936 0	

	A	-	0	5 1		I -
	A	В	С	D	E	F
1	PILs TAXES	LINIE	M -4 F	Naminam	Mines enly	
	TAX RETURN RECONCILIATION (TAXREC 2)	LINE	M of F	Non-wires Eliminations	Wires-only Tax	
			Corporate	Eliminations	Return	
	(for "wires-only" business - see s. 72 OEB Act) RATEPAYERS ONLY		Tax Return		Return	
			Return		V 2000 4	
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7	Heility Names Chatham Kant Hydra In-					
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2001	1				
	Number of days in taxation year:		92			
	Materiality Level:		0			
12						1
13						
14						
	Section C: Reconciliation of accounting income to taxable income					
	Add:					-
17		+			0	
	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
	Taxable capital gains	+			0	]
22		+			0	]
	Scientific research expenditures deducted	+			0	]
24	per financial statements	+			0	]
	Capitalized interest	+			0	]
	Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	]
	Debt issue expense	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
	Write down of capital property	·			0	
	Amounts received in respect of qualifying environment trust	<u>;</u>			0	
	Provision for bad debts	<u>;</u>			0	
37	. To this is the sad dobto	i. I			0	
38		<u>'</u>			0	
39		<u>'</u>			0	
40	Other Additions: (please explain in detail the nature of the item)	-			0	
41	оты лачионь. (рісахо вхріані ін ивіан ше нашів он ше івіні)	Ţ			0	
41		Ţ.			0	
42 43		Ţ			0	
44		Ţ				
45		†			0	
46	Total Additions	+	0	0	0	1
47	I Utal Auditions	=	0	0	0	J
41	Recap of Material Additions:					
49	incoap of inatorial Additions.		0	0	0	1
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0		
62				0	0	
63			0			
64			0	0	0	
			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
	Total Material additions		0	0	0	
	Other additions less than materiality level		0	0	0	
	Total Additions		0	0	0	]
80						
81	Deduct:					_
82	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	
						_

	A	В	С	D	E	F
1	· · · · · · · · · · · · · · · · · · ·		-			•
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
			Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2001	_				
	Number of days in taxation year:		92			
	Materiality Level:		0			
12						
13						
	Scientific research expenses claimed in year from Form T661	-			0	
	Bad debts	-			0	
88	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	
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98	Total Dadications	-	0	0	0	
100	Total Deductions	=	U	U	U	
	Recap of Material Deductions:					
102	Recap of Material Deductions.		0	0	0	
103			0	0	0	
103			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	
	Total Deductions exceed materiality level		0	0	0	
	Other deductions less than materiality level		0	0	0	
	Total Deductions		0	0	0	
122						

_	Λ				-	
1	Α	В	С	D	Е	F
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Chatham-Kent Hydro Inc.				Version 2009.1	
9 10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92	1		
13	,			•		
14						
15						
16 17	Section C: Reconciliation of accounting income to taxable income Add:					
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  Gain on sale of utility eligible capital property	+			0	
23 24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28 29	Loss on disposal of non-utility assets	+			0	
30	Depreciation in inventory -end of year Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,381		2,381	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35 36	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		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44		+			0	
45		+			0	
46 47	Total Additions on which two up does not onnly	+	2,381	0	2,381	
48	Total Additions on which true-up does not apply	=	2,301	0	2,301	
	Deduct:					
50						,
51	CCA adjustments	-			0	
52 53	CEC adjustments Depreciation and amortization adjustments	-			0	·
54	Gain on disposal of assets per financial statements	-	13,904		13,904	
	Financing fee amorization - considered to be interest expense for PILs	-	.0,001		0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58 59	Income from joint ventures or partnerships				0	
60					0	
61		-			0	
62		-			0	
63	Outsile conitel toy adjustments to account on miles are	-			0	
64 65	Ontario capital tax adjustments to current or prior year				0	
66	Changes in Regulatory Asset balances				0	
67	- J. January	-			0	
68	Other deductions: (Please explain in detail the nature of the item)				0	
69		-			0	
70 71		-			0	
72					0	
73	Total Deductions on which true-up does not apply	=	13,904	0	13,904	]
74						
75						

		_	_	_	_		
4	A A A A A A A A A A A A A A A A A A A	В	С	D	E	F	G
2	PILs TAXES Corporate Tax Rates					Version 2009.1	
3	Exemptions, Deductions, or Thresholds					version 2009.1	
4	Utility Name: Chatham-Kent Hydro Inc.						
5	Reporting period: 2001						
6							
7						Table 1	
8							
	Income Range		0		200,001		
	RAM 2002		to		to	>700,000	
11	In comment of the Party	Year	200,000		700,000		
	Income Tax Rate	0000					
	Proxy Tax Year Federal (Includes surtax)	2002	13.12%		26.12%	26.12%	
	and Ontario blended		6.00%		6.00%	12.50%	
	Blended rate		19.12%		34.12%	38.62%	
17	Biended rate		19.12%		34.12%	38.02%	
	Capital Tax Rate		0.300%				
	LCT rate		0.300%				
	Surtax		1.12%				
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22		MAX \$10MM	10,000,000				
_	**Exemption amounts must agree with the Board-approved 200						
			·9				
23							
24							
25						Table 2	
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2002						
27	Income Range		0		200,001		
28	Expected Rates		to		to	>700,000	
29		Year	200,000		700,000		
	Income Tax Rate						
	Current year	2001					
32	Federal (Includes surtax)	2001	13.12%		26.12%	26.12%	
33	Ontario	2001	6.00%		6.00%	12.50%	
34	Blended rate	2001	19.12%		32.12%	38.62%	
35							
	Capital Tax Rate	2001	0.300%				
	LCT rate	2001	0.225%				
	Surtax	2001	1.12%				
	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000				
	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	10,000,000				
41	***Allocation of exemptions must comply with the Board's instr	uctions regardi	ng regulate	d activities.			
42							
43						Table 3	
	Input Information from Utility's Actual 2001 Tax Returns					* =	
45	Income Range		0		200,001		
46	<del>-</del>		to		to	>700,000	
47		Year	200,000		700,000		
	Income Tax Rate						
	Current year	2001					
	Federal (Includes surtax)		13.12%		28.12%	28.12%	
	Ontario		6.00%		6.00%	12.50%	
2	Blended rate		19.12%		34.12%	40.62%	
53							
	Capital Tax Rate		0.300%				
	LCT rate		0.225%				
	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	3,375,182				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	6,379,038				
59	* Include copies of the actual tax return allocation calculations	in your submis	sion: Ontari	io CT23 page 11	1; federal T	T2 Schedule 36	
60							
61 62							

	A	В	С	) E	F	G H	l J	K L	M N	0 P
	PILs TAXES Analysis of PILs Tax Account 1562:									
-	Utility Name: Chatham-Kent Hydro Inc.									Version 2009.1
	Reporting period: 2001			Sign Convent	on: + for inc	rease; - for decre	ease			0
5 6										
7										
8	Year start:		10/1/2001 12/31/2001	1/1/2 12/31/2		1/1/2003	1/1/2004 12/31/2004	1/1/2005	1/1/2006 4/30/2006	Tatal
10	Year end:	-	12/31/2001	12/31/2	<u> </u>	12/31/2003	12/31/2004	12/31/2005	4/30/2006	Total
11	Opening balance:	=	0	-6,	617	-6,617	-6,617	-6,617	-6,617	0
	Board-approved PILs tax proxy from Decisions (1) True-up Variance Adjustment Q4, 2001 (2)	+/-	-7,140							-7,140
16	True-up Variance Adjustment (3)	+/-								0
	Deferral Account Variance Adjustment Q4, 2001 (4) Deferral Account Variance Adjustment (5)	+/-	523							523 0
22	Adjustments to reported prior years' variances (6)	+/-								0
23	Carrying charges (7)	+/-								0
25 26	PILs billed to (collected from) customers (8)	-	0							0
27	Ending balance: # 1562		-6,617	-6,	617	-6,617	-6,617	-6,617	-6,617	-6,617
28 29						_	<u> </u>		<del>-</del>	
30										
31	Uncollected PILs									
33	NOTE: The purpose of this worksheet is to show the movement in Account									
34 35	For explanation of Account 1562 please refer to Accounting Procedures Han	dbook for I	Electric Distributi	on Utilities and F	AQ April 2003	3.				
36 37	Please identify if Method 1, 2 or 3 was used to account for the PILs pro	xy and rec	overy. ANSWE	R:		3				
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAX	KCALC spr	eadsheet for Q4	2001 and 2002.						
39	Please insert the Q4, 2001 proxy in column C even though it was ap			1002.						
40	If the Board gave more than one decision in the year, calculate a wei (ii) If the Board approved different amounts, input the Board-approved an			3.						
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PI	Ls tax prox	y and the 2002	PILs tax proxy.						
43 44	<ul><li>(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on A</li><li>(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31</li></ul>					1000mbor 21 2005				
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from Jan			- ILS tax proxy iro	III Apili 1 to D	ecember 31, 2003				
46 47	(2) From the Ministry of Finance Variance Column, under Future True-ups, P	Part IV a ce	II I132 of the TA	XCALC spreads	neet The Q4	2001 proxy has to	he			
48 49	trued up in 2002, 2003 and for the period January 1- March 31, 2004.					2001 proxy nao to	. 50			
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, P	art IV a, ce	ell I132, of the TA	XCALC spreadsl	neet.					
51 52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and Ja									
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, P	art IV b, ce	ell I181, of the TA	XCALC spreadsl	neet. The Q4	, 2001 proxy has to	o be			
54 55	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	Input the de	eferral variance	n the whole year	reconciliation					
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, P				neet.					
57 58	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and Ja	anuary 1 to	March 31, 2005	i.						
59 60	(6) The correcting entry should be shown in the year the entry was made. The	ne true-up o	of the carrying cl	narges will have t	be reviewed	i.				
61	(7) Carrying charges are calculated on a simple interest basis.									
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004	were based	d on a fixed char	ge and a volumet	ric charge rec	covery by class. Th	he PILs rate			
64	components for Q4, 2001and 2002 were calculated in the 2002 approv	ed RAM or	sheet 6 and sh	eet 8. In April 200						
65 66	2002 PILs tax proxy recovered by the volumetric rate by class as calcu The 2005 PILs tax proxy is being recovered on a volumetric basis by cl		eet 7 of the 200	4 RAM.						
66			and and the state of		ded en N	14:1:I				
68 69	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kv by the PILs volumetric proxy rates by class (from the Q4, 2001and 200									
70	plus, (b) customer counts by class in the same period multiplied by the				,	- ,,				
72 73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a vol for the period April 1 to December 31, 2004, and add this total to the re									
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a vol			-						
76	for the period April 1 to December 31, 2005. To this total, the 2004 volu					•				
77 78	to calculate the recovery for the period January 1 to March 31, 2005.									
79 80	(9) Any interim PILs recovery from Board Decisions will be recorded in APH will have to include amounts from 1562 and from 1590.	Account #	1590. Final reco	nciliation of PILs	proxy taxes					
81	wiii nave to include amounts nom 1902 and nom 1990.									
82										

2001\_1562\_Disposition\_PILs\_Model\_20120720

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0097

Date Filed: July 20, 2012

#### Attachment D 2002 Revised SIMPIL Model

#### Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor Chatham-Kent Hydro Inc.

OEB File Number EB-2012-0097

Filing Year 2002

	A	В	С	D	Е
	PILs TAXES	ر ا	J	J	Version 2009.1
2	REGULATORY INFORMATION (REGINFO)			0-101-	
3	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2002			Colour Code Input Cell	
5				Formula in Cell	
7	Days in reporting period:		days days		
8	Total days in the calendar year:	300	days		
9	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	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				·
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?		Y/N	Y	
20	Diagon identify the 0/ yeard to allocate the OCT and I CT exemptions in Calla CCF 8 C74 in the TAVCALC approach best		Y/N	Y	
21 22 23	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT LCT		99% 62%	
23	Accounting Year End		Date	12-31-2002	
26		ī	Date	12 01-2002	Pogulata:::
27	MARR NO TAX CALCULATIONS SHEET #7 FINAL RUD MODEL DATA				Regulatory Income
28	(FROM 1999 FINANCIAL STATEMENTS)			<u>'</u>	
30	USE BOARD-APPROVED AMOUNTS	ļ			
31	Rate Base (wires-only)			45,653,588	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity		Ų	6.05%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			3,035,964	
72	1999 return from RUD Sheet #7		Ų	786,476	786,476
43 45	Total Incremental revenue		ĺ	2,249,488	700, 170
46	Input: Board-approved dollar amounts phased-in		l	2,249,400	
47	Amount allowed in 2001			1,077,000	1,077,000
48 49	Amount allowed in 2002 Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,077,000	1,077,000 0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52 53	Other Board-approved changes to MARR or incremental revenue				0
54	Total Regulatory Income				2,940,476
55 56	Equity		ĺ	22,826,794	
57	Lyunty			22,020,194	
58	Return at target ROE			1,381,021	
59 60	Debt			22,826,794	
61					
62 63	Deemed interest amount in 100% of MARR			1,654,943	
	Phase-in of interest - Year 1 (2001)			1,015,805	
65	((D43+D47)/D41)*D61		į		•
66 67	Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61		ļ	1,602,891	
	Phase-in of interest - Year 3 (2003) and forward			1,602,891	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)			4 054 0 :-	.
70	Phase-in of interest - 2005			1,654,943	
72					

г	A	В	С	D	E	F	G	Н
1	PILs TAXES	ITEM	Initial	Ť	M of F	M of F	Tax	
2			Estimate		Filing	Filing	Returns	
3	· · · · · · · · · · · · · · · · · · ·				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	Version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.						70101011 200011	
	Reporting period: 2002							
8		005					Column	
10	Days in reporting period: Total days in the calendar year:		days days				Brought From	
11	Total days in the calcidal year.	000	aays				TAXREC	
12			\$		\$		\$	
13								
	I) CORPORATE INCOME TAXES							
15 16	Regulatory Net Income REGINFO E53	1	2,940,476	-	639,376		3,579,852	
17					555,515		0,010,000	
	BOOK TO TAX ADJUSTMENTS							
	Additions: Depreciation & Amortization	_	2 522 000	-	311,353		2,844,353	
	Employee Benefit Plans - Accrued, Not Paid	2	2,533,000 318,500	-	-318,500		2,844,353	
22	Tax reserves - beginning of year	4	010,000	=	169,924		169,924	
23	Reserves from financial statements - end of year	4			719,610		719,610	
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			2,118		2,118	
29	Other Additions (not "Material") "TAXREC 2"	6		[	0		0	
	Items on which true-up does not apply "TAXREC 3"				81,400		81,400	
31	Deductions: Input positive numbers							
	Capital Cost Allowance and CEC	7	1,835,114		1,120,863		2,955,977	
	Employee Benefit Plans - Paid Amounts	8	275,000	-	-275,000		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10	4 000 004	-	0		0	
37 38	Interest Expense Deemed/ Incurred Tax reserves - end of year	11 4	1,602,891	-	94,563 174,510		1,697,454 174,510	
39		4		=	654,860		654,860	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax Other Deductions (See Tab entitled "TAXREC")	11		-	0		0	
44	"Material" Items from "TAXREC" worksheet	12		-	0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12		-	712,710		712,710	
48 49	Items on which true-up does not apply "TAXREC 3"			-	712,710		712,710	
	TAXABLE INCOME/ (LOSS)		2,078,971	Ħ	(877,225)	Before loss C/F	1,201,746	
51				П				
52		12	20 620/	Н	0.0000%		20 620/	
53 54	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	H	0.0000%		38.62%	
55	REGULATORY INCOME TAX		802,899		-802,899	Actual	0	
56				ΙĪ				
57 58	Miscellaneous Tax Credits	14			0	Actual	0	
59	ivisociiai ledus I ax Oreults	14			0	Actual	U	
60	Total Regulatory Income Tax		802,899		-802,899	Actual	0	
61								
62 63	II) CAPITAL TAXES							
64	III VIII II III IIII III							
65	Ontario			Ц				
66		15	45,653,588	Н	13,446,824		59,100,412	
67 68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	16	5,000,000 40,653,588	H	-70,255 13,376,569		4,929,745 54,170,667	
69			,		. 2,3. 0,000		3.,0,007	
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	Ц	0.0000%		0.3000%	
71 72	Ontario Capital Tax		121,961	H	40,551		162,512	
73	οπαιίο σαριία: ταλ		121,901	H	40,001		102,312	
74				Ц				
75		18	45,653,588	Ц	13,986,772		59,640,360	
76 77	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	19	10,000,000 35,653,588	H	-3,824,529 10,162,243		6,175,471 53,464,889	
78	Tanabio Oupitai		30,000,000	H	10,102,243		33,704,009	
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80	Cross Amount of LCT hotorst		00.001	Н	40.07-		400.000	
ď٦	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		80,221	Ш	40,075		120,296	

$\Box$	A	В	С	D	Е	F	G	Н
1	PILs TAXES	ITEM		Ħ	M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.							
	Reporting period: 2002							
8	David to according a colod.	205					Column	
10	Days in reporting period: Total days in the calendar year:		days days				Brought From	
11	Total days in the calendar year:	300	uays				TAXREC	
12			\$		\$		\$	
13			Ψ	H	Ψ		Ψ	
82	Less: Federal Surtax 1.12% x Taxable Income	21	23,284		-23,284		0	
83	Less. I ederal Sultax 1.12/0 x Taxable Income	21	25,204	H	-20,204		0	
	Net LCT		56,936		63,360		120,296	
85			00,000	П	00,000		120,200	
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
	Income Tax (proxy tax is grossed-up)	22	1,284,638			Actual 2002	0	
91	LCT (proxy tax is grossed-up)	23	91,098			Actual 2002	120,296	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	121,961			Actual 2002	162,512	
93 94								
	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	1 407 000			A street 2000	200.000	
	-	25	1,497,696	1		Actual 2002	282,808	
96 97	RAM DECISION							
98				Ħ				
	IV) FUTURE TRUE-UPS							
	IV a) Calculation of the True-up Variance				DR/(CR)			
	In Additions:				2.0(0.1)			
	Employee Benefit Plans - Accrued, Not Paid	3			-318,500			
	Tax reserves deducted in prior year	4			169,924			
	Reserves from financial statements-end of year	4			719,610			
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			2,118			
	In Deductions - positive numbers			"	_,	1		
109	Employee Benefit Plans - Paid Amounts	8			-275,000			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell I204)	11			11,057			
	Tax reserves claimed in current year	4			174,510			
	Reserves from F/S beginning of year	4			654,860			
	Contributions to deferred income plans	3			0			
	Contributions to pension plans	3			0	1		
	Other deductions "Material" Items TAXREC	12			0			
118 119	Other deductions "Material" Item TAXREC 2	12			0			
120	Total TRUE-UPS before tax effect	26			7,725			
121	Total TROE-OF 3 before tax effect	20		-	1,125			
122	Income Tax Rate (including surtax) from 2002 Utility's tax return			x	38.62%	1		
123	and the same of th				22.0270			
124	Income Tax Effect on True-up adjustments			=	2,983			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				2,983			
129	lancara Tau Data was diference was (c. 1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1				07.500/			
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131 132	TRUE-UP VARIANCE ADJUSTMENT				4,773			
133	TIVOL-OF VARIANCE ADJUSTIMENT				4,113			
1.55	IV b) Calculation of the Deferral Account Variance caused by							
124	changes in legislation							
134	anangoo iii logiolation			$  \  $				
133	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
136	estimate column)			_	2,078,971			
137					_,,			
	REVISED CORPORATE INCOME TAX RATE (including surtax)			х	38.62%			
139	( · · · · · · · · · · · · · · · · · · ·							
140	REVISED REGULATORY INCOME TAX			=	802,899			
141					-			
142	Less: Revised Miscellaneous Tax Credits			-[	0			
143	T				000			
144	Total Revised Regulatory Income Tax			=	802,899			
145	Loca: Pagulatany Incomo Tay reported in the Initial Fatimate Calvers (Call							
1/16	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				802,899			
140	000)	I	l		002,039	l	1	

	A	В	С	D	Е	F F	G	Н
1	PILs TAXES	ITEM	Initial	Ī	M of F	M of F	Tax	
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	0				i C	Explanation	Version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.							
_	Reporting period: 2002						Calumn	
9	Days in reporting period:	365	days				Column Brought	
10	Total days in the calendar year:		days				From	
11			_		_		TAXREC	
12 13			\$	H	\$		\$	
147								
	Regulatory Income Tax Variance			=	0			
149	O to to O otto I To							
	Ontario Capital Tax Base			l_	45,653,588			
	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
	Revised deemed taxable capital			=	40,653,588			
154 155	Rate - Tab Tax Rates cell C54			v	0.3000%			
156	Tale Tab Tax Nates cell 604			^	0.000070			
157	Revised Ontario Capital Tax			=	121,961			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				121,961			
	Regulatory Ontario Capital Tax Variance			=	0			
160								
	Federal LCT Base				45,653,588			
	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	35,653,588			
165	Data (as a secult of la sigletina sharpers) tak IT-u Dataslas II 054				0.22500/			
167	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
	Gross Amount				80,221			
	Less: Federal surtax			-	23,284			
170 171	Revised Net LCT			=	56,936			
	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	56,936			
	Regulatory Federal LCT Variance			=	0			
174	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176	Actual income Tax Rate used for gross-up (exclude surtax)				37.30%			
	Income Tax (grossed-up)			+	0			
	LCT (grossed-up)			+	0			
180	Ontario Capital Tax			+	U			
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182	TRUE UR VARIANCE (form call 1420)			١.	4 770			
183	TRUE-UP VARIANCE (from cell l130)			+	4,773			
	Total Deferral Account Entry (Positive Entry = Debit)			=	4,773			
186	(Deferral Account Variance + True-up Variance)							
187 188								
189				H				
190	V) INTEREST PORTION OF TRUE-UP							
191 192	Variance Caused By Phase-in of Deemed Debt							
	Total deemed interest (REGINFO)				1,654,943			
194	Interest phased-in (Cell C36)				1,602,891			
195	Variance due to phase in of debt companyer of MADD in value				E2 0E2			
	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				52,052			
198								
	Other Interest Variances (i.e. Borrowing Levels							
	Above Deemed Debt per Rate Handbook) Interest deducted on MoF filing (Cell K36+K41)				1,697,454			
202	Less: Interest components excluded for true-up calculation purposes				31,454	(Interest on customer deposits)		
203	Adjusted Interest				1,666,000			
204 205	Total deemed interest (REGINFO CELL D61)				1,654,943			
	Variance caused by excess debt				11,057			
207								
208 209	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				11,057			
	Total Interest Variance				40,994			
				_	.,			

	A	В	С	D	E	F
1	PILs TAXES	LINE		Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	C	)	Return			
5					Version 2009.1	
-	Section A: Identification:					
_	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2002					
	Taxation Year's start date:					
	Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12						
	Please enter the Materiality Level :	V/NI	0	< - enter materiality	/ level	
14 15	(0.25% x Rate Base x CER) (0.25% x Net Assets)	Y/N Y/N	Y N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
-	Does the utility carry on non-wires related operation?	Y/N	N			
	(Please complete the questionnaire in the Background questionnaire	worksl	heet.)			
19	N . O . ( IME I D T I IITAYOM OILO I (					
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
	If required please change the descriptions except for amortization, interest	t expen	se and provision for	income tax		
26	Places onter the non-wire energiants amount as a resitive number the		automotically terms (-	all amounts		
	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			an amounts		
29	in the mon whos eminimation column as hegative values in TANNEC and	IANNE	.02.			
	Income:					
31	Energy Sales	+	68,359,445		68,359,445	
32	Distribution Revenue	+	10,923,664		10,923,664	
33	Other Income Miscellaneous income	+	1,037,765		1,037,765	
35	Miscellaneous income	+ +			0	
	Revenue should be entered above this line	- '			<u> </u>	
37						
	Costs and Expenses:					
39	Cost of energy purchased	-	68,359,445		68,359,445	
40	Administration	-	1,887,735 1,376,271		1,887,735	
42	Customer billing and collecting Operations and maintenance	-	2,273,218		1,376,271 2,273,218	
43	Amortization	-	2,844,353		2,844,353	
44	Ontario Capital Tax	-	, , , , , , , , , , , , , , , , , , , ,		0	
45		-			0	
46		-			0	
47 48		_			0	
49					U	
	Net Income Before Interest & Income Taxes EBIT	=	3,579,852	0	3,579,852	
51	Less: Interest expense for accounting purposes	-	1,697,454		1,697,454	
52	Provision for payments in lieu of income taxes	-	300,000		300,000	
53	Net Income (loss) (The Net Income (loss) on the MoF column should equal to the net income (loss)	=	1,582,398	0	1,582,398	
	per financial statements on Schedule 1 of the tax return.)					
55	,					
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
	BOOK TO TAX ADDITIONS:		200 200		200 200	
	Provision for income tax Federal large corporation tax	+	300,000	0	300,000	
	Depreciation & Amortization	+ +	2,844,353	0	2,844,353	
	Employee benefit plans-accrued, not paid	+	=,511,000	0	0	
63	Tax reserves - beginning of year	+	169,924	0	169,924	
	Reserves from financial statements- end of year	+	719,610	0	719,610	
	Regulatory adjustments on which true-up may apply (see A66)	+	04.465		0	
	Items on which true-up does not apply "TAXREC 3"		81,400	0	81,400	
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	2,118	0	2,118	
68 69	Outer addition tems (not individual) nom PAAREC 2	+	U	U	U	
70	Subtotal		4,117,405	0	4,117,405	
71			, , , ,			
	Other Additions: (Please explain the nature of the additions)				,	
	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	

A	В	С	D	E	F
1 PILS TAXES	LINE	M of F	Non-wires	Wires-only	
TAX RETURN RECONCILIATION (TAXREC) (for "wires-only" business - see s. 72 OEB Act)		Corporate Tax	Eliminations	Tax Return	
(IOI WITES-OTHY DUSTITESS - SEE S. 72 OEB ACT)	0	Return		Return	
5	-			Version 2009.1	
75 Capital items expensed	+			0	
76 77	+			0	
77	+			0	
78	+			0	
79 80 Total Other Additions	+	0	0	0	
80 Total Other Additions 81	=	0	0	0	
82 Total Additions	=	4,117,405	0	4,117,405	
83	!	.,,	<u> </u>	.,,	
84 Recap Material Additions:					
85		0	0	0	
86		0	0	0	
87 88		0	0	0	
89		0	0	0	
90		0	0	0	
91		0	0	0	
92 Total Other additions >materiality level		0	0	0	
93 Other additions (less than materiality level)		0	0	0	
94 Total Other Additions 95		0	0	0	
96 BOOK TO TAX DEDUCTIONS:					
97 Capital cost allowance	_	2,859,637		2,859,637	
98 Cumulative eligible capital deduction	-	96,340		96,340	
99 Employee benefit plans-paid amounts	-			0	
100 Items capitalized for regulatory purposes	-			0	
101 Regulatory adjustments :	-			0	
102 CCA 103 other deductions	-			0	
104 Tax reserves - end of year	-	174,510	0	174,510	
105 Reserves from financial statements- beginning of year	_	654,860	0	654,860	
106 Contributions to deferred income plans	-	33.,533		0	
107 Contributions to pension plans	-			0	
108 Items on which true-up does not apply "TAXREC 3"		712,710	0	712,710	
109 Interest capitalized for accounting deducted for tax	-			0	
110 Material deduction items from TAXREC 2	-	0	0	0	
111 Other deduction items (not Material) from TAXREC 2	-	0	0	0	
113 Subtotal	=	4,498,057	0	4,498,057	
114 Other deductions (Please explain the nature of the deductions)		1, 100,001	•	1, 100,001	
115 Charitable donations - tax basis	-			0	
116 Gain on disposal of assets	-			0	
117	-			0	
118 119				0	
120 Total Other Deductions	=	0	0	0	
121 Total Giller Deductions	-	0	U	U	
122 Total Deductions	=	4,498,057	0	4,498,057	
123					
124 Recap Material Deductions:		-			
125		0	0	0	
126 127		0	0	0	
128		0	0	0	
129		0	0	0	
130 Total Other Deductions exceed materiality level		0	0	0	
131 Other Deductions less than materiality level		0	0	0	
132 Total Other Deductions		0	0	0	
133 134 TAYARI E INCOME	_ 1	1 201 740	ا م	1 201 740	
134 TAXABLE INCOME 135 DEDUCT:	=	1,201,746	0	1,201,746	
136 Non-capital loss applied positive number	_ 1	1,121,746	0	1,121,746	
137 Net capital loss applied positive number	-	1,121,140	U	0	
138 Charitable donations		80,000		80,000	
139 NET TAXABLE INCOME	=	0	0	0	
140					
141 FROM ACTUAL TAX RETURNS	. 1	<u> </u>		<u> </u>	
142 Net Federal Income Tax (Must agree with tax return) 143 Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144 Subtotal	+	0	0	0	
TTT OUDIOIGI		U	U	0	

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
	Total Income Tax	= [	0	0	0	
147						
	FROM ACTUAL TAX RETURNS	_				
	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide federal
	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide Ontario
151	Blended Income Tax Rate	L	0.00%	******	0.00%	
152						
153	Section F: Income and Capital Taxes					
154						
	RECAP		- 1			
	Total Income Taxes	+	0	0	0	
	Ontario Capital Tax	+	162,512		162,512	
	Federal Large Corporations Tax	+	120,296		120,296	
159		П	000 000		000.000	
160		= [	282,808	0	282,808	
161						

	٨	В	С	D	Е	F
$\vdash$	A	B				Г
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		-	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Chatham-Kent Hydro Inc.					
8	Reporting period: 2002					
9	Reporting period: 2002					
10	TAX RESERVES					
11	TAX NEGERVES					
12	Beginning of Year:					
13	beginning of rear.				0	
	December for desubtful accounts as 20(4)(I)		400.004		400,004	
	Reserve for doubtful accounts ss. 20(1)(I)		169,924		169,924	
	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				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		169,924	0	169,924	
23		,			•	
24	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)		174,510		174,510	
	Reserve for goods & services ss.20(1)(m)		17 4,010		0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
		1				
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line	_				
35	<b>Total (</b> carry forward to the TAXREC worksheet)		174,510	0	174,510	
36		_				
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts	1	169,924		169,924	
	Inventory obsolescence	<del>                                     </del>	100,024		109,924	
		<del>   </del>			0	
	Property taxes	<del>                                     </del>	404.000		404.000	
	OPEB	$\vdash$	484,936		484,936	
	Other - Please describe	<b>  </b>			0	
49					0	
50	<b>Total (</b> carry forward to the TAXREC worksheet)	Ĺ	654,860	0	654,860	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		174,510		174,510	
	Inventory obsolescence				0	
	Property taxes				0	
59	OPEB		545,100		545,100	
60			5 10,100		0 10,100	
61					0	
	Insert line above this line				U	
		Г	710.640	0	740.640	
63	Total (carry forward to the TAXREC worksheet)	L	719,610	0	719,610	
64						

	А	В	С	D	Е	F
1						
	PILS TAXES	LINE		Non-wires	Wires-only	
4	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Tax	Eliminations	Tax Return	
	RATEPAYERS ONLY		Return		IVEINIII	
	Shareholder-only Items should be shown on TAXREC 3		rtotani		Version 2009.1	
7						
8	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2002					
	Number of days in taxation year:		365			
11	Materiality Level:		0			
13						ı
14						
	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
21 22	Taxable capital gains	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
	Debt issue expense	+			0	
	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	
	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
	Tax interest	+	2,118		2,118	
38		+			0	
39 40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Other Additions. (piease explain in detail the nature of the item)	+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	2,118	0	2,118	
47	Decem of Material Additional					
48 49	Recap of Material Additions:		0	0	0	1
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57 58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67 68			2,118	0	0 2,118	
	Tax interest		2,118	0	2,118	
70	TAX IIITOTOSE		0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	Λ	D		<u> </u>	F	F
1	A	В	С	D	E	F
	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)			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						
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2002		h	1		
	Number of days in taxation year:		365			
	Materiality Level:		0			
12						
13 75			0	0	0	
76			0	0	0	
	Total Material additions		2,118	0	2,118	
	Other additions less than materiality level		2,110	0	2,110	
	Total Additions		2,118		2,118	
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 Contributions to a qualifying environment trust	-			0	
	Other income from financial statements	-			0	
92	Other modifie from financial statements	-			0	
93		_			0	
94		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Retirement benefit recorded to transition costs	-			0	
97		-			0	
98		-			0	
	Total Deductions	=	0	0	0	
100	Pagen of Material Daductions:					
101	Recap of Material Deductions:		0	0	0	
102			0	0	0	
103			0	0	0	
105			0		0	
106			0		0	
107			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	
115 116			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	
	Total Deductions		0	0	0	
122						

	Λ		з Т	С	D	Е
1	Α		>	C	D	E
	PILs TAXES					
	TAX RETURN RECONCILIATION (TAXREC 3)					
		1 11	NE	M of F	Non-wires	Wires-only
4	Shareholder-only Items should be shown on TAXREC 3					•
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		
	Utility Name: Chatham-Kent Hydro Inc.					<b>Version 2009.1</b>
9						
10						
	Reporting period: 2002		_			
	Number of days in taxation year:			365		
13						
14						
15						
	Section C: Reconciliation of accounting income to taxable income					
	Add:					
18	Described of social cost allowers					
	Recapture of capital cost allowance	+				0
	CCA adjustments	+				0
	CEC adjustments	+				0
	Gain on sale of non-utility eligible capital property  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	+				0
	Loss on disposal of non-utility assets	+				0
	Depreciation in inventory -end of year	+				0
	Depreciation and amortization adjustments	+				0
	Dividends credited to investment account	+	_			0
	Non-deductible meals	+	-	1,400		1,400
	Non-deductible club dues	+		1,100		0
	Non-deductible automobile costs	+				0
35	Donations - amount per books			80,000		80,000
	Interest and penalties on unpaid taxes					0
37	Management bonuses unpaid after 180 days of year end					0
38	Imputed interest expense on Regulatory Assets					0
39		+				0
	Ontario capital tax adjustments	+				0
	Changes in Regulatory Asset balances	+				0
42		+				0
	Other Additions: (please explain in detail the nature of the item)	+				0
44		+				0
45		+				0
46	World Library and	+		04 400		04.400
47	Total Additions on which true-up does not apply	=		81,400	0	81,400
48	Deduct					
	Deduct:					
50	CCA adjustments					^
	CCA adjustments CEC adjustments	•	<u> </u>			0
	Depreciation and amortization adjustments	-	<u> </u>			0
	Gain on disposal of assets per financial statements	-	_ H	15,335		15,335
	Financing fee amorization - considered to be interest expense for PILs		_	10,000		10,333
	Imputed interest income on Regulatory Assets		_			0
	Donations - amount deductible for tax purposes		_			0
	Income from joint ventures or partnerships		_			0
59			_			0
60			-			0
61			-			0

	A		В	С	D	Е
1		•	'			
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3		LINE	M of F	Non-wires	Wires-only
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY			Corporate	Eliminations	Tax
6	(for "wires-only" business - see s. 72 OEB Act)			Tax		Return
7		0		Return		
8	Utility Name: Chatham-Kent Hydro Inc.					Version 2009.1
9						
10	<b>D</b> 4 1 2 2 2 2					
11	Reporting period: 2002			205	Ī	
12 13	Number of days in taxation year:			365		
14						
62			_			0
63			-			0
64	Ontario capital tax adjustments to current or prior year		-	190,100		190,100
65			-			0
66	Changes in Regulatory Asset balances		-	447,110		447,110
67			-			0
68	Other deductions: (Please explain in detail the nature of the item)		-			0
69	Retirement benefit recorded to transition costs		-	60,165		60,165
70			-			0
71 72			-			0
73	Total Deductions on which true up does not apply		-	712 710	0	712 710
74	Total Deductions on which true-up does not apply		=	712,710	U	712,710
14						

			0		-	
1	A PILS TAXES	В	С	D	Е	F
-	Corporate Tax Rates					Version 2009.1
-	Exemptions, Deductions, or Thresholds					Version 2003.1
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2002					
6						
7						Table 1
8	Rates Used in 2002 RAM PILs Applications for 2002					
	Income Range		0		200,001	
10	RAM 2002		to		to	>700,000
11		Year	200,000		700,000	
12	Income Tax Rate					
13	Proxy Tax Year	2002				
14	Federal (Includes surtax)		13.12%		26.12%	26.12%
15	and Ontario blended		6.00%		6.00%	12.50%
16	Blended rate		19.12%		34.12%	38.62%
17						
18	Capital Tax Rate		0.300%			
	LCT rate		0.225%			
20	Surtax		1.12%			
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000			
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000			
	**Exemption amounts must agree with the Board-	approved 20	02 RAM P	ILs filing		1
23						
24						
25						Table 2
26	<b>Expected Income Tax Rates for 2002 and Capital Tax Exemp</b>	tions for 2002				
$\overline{}$	Income Range		0		200,001	
28	Expected Rates		to		to	>700,000
29	•	Year	200,000		700,000	
30	Income Tax Rate					
31	Current year	2002				
32	Federal (Includes surtax)	2002	13.12%		26.12%	26.12%
33	Ontario	2002	6.00%		6.00%	12.50%
34	Blended rate	2002	19.12%		32.12%	38.62%
35						
36	Capital Tax Rate	2002	0.300%			
37	LCT rate	2002	0.225%			
38	Surtax	2002	1.12%			
39	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	5,000,000			
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	10,000,000			
41	***Allocation of exemptions must comply with the	Board's ins	tructions	regarding regul	ated ac	tivities.
				0 0 0		
42						<b>-</b>
43	lumint information from Hillings Actual 2002 To Day					Table 3
	Input Information from Utility's Actual 2002 Tax Returns		^		200 004	
	Income Range		0		200,001	. 700 000
46 47		Voor	to		to	>700,000
-	Income Tax Rate	Year	200,000		700,000	
		2002				-
	Current year Federal (Includes surtax)	2002	13.12%		26 420/	26 420/
50 51	·				26.12%	26.12%
	Ontario  Plandad rata		6.00%		6.00%	12.50%
52 53	Blended rate		19.12%		32.12%	38.62%
	Conital Tay Bata		0.2000/			
	Capital Tax Rate		0.300%			
	LCT rate		0.225%			
	Surtax	B# A 37 A #	1.12%			
	Ontario Capital Tax Exemption *	MAX \$5MM	4,929,745			
	Federal Large Corporations Tax Exemption *	MAX \$10MM				
59	* Include copies of the actual tax return allocation	calculations	s in your s	submission: On	tario C1	23 page 11;
60	federal T2 Schedule 36					
61						

Δ	В	С		-	ΙFΙ	G			-1	V .	_	M I	1
A A	ь	L C	D	E	Г	G	Н		J	K	니	IVI I	0
1 PILs TAXES			-										
2 Analysis of PILs Tax Account 1562:													
3 Utility Name: Chatham-Kent Hydro Inc.													Version 2009.1
4 Reporting period: 2002				Sign Convention:	+ fo	r increase; - for o	decr	ease					0
5													
6													
7													
8 Year start:		10/1/2001	1	1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006	
9 Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006	Tota
10													
11 Opening balance:	=	(	)	0		4,773		4,773		4,773		4,773	(
12 Board-approved PILs tax proxy from Decisions (1)	+/-						П			•		0	(
14 True-up Variance Adjustment Q4, 2001 (2)	+/-						$\Box$			•			(
16 True-up Variance Adjustment (3)	+/-			4,773									4,773
18 Deferral Account Variance Adjustment Q4, 2001 (4)	+/-							_					(
20 Deferral Account Variance Adjustment (5)	+/-			0									(
22 Adjustments to reported prior years' variances (6)	+/-												(
23 Carrying charges (7)	+/-	_					$\Box$			•			(
25 PILs billed to (collected from) customers (8)	-	(											(
26													
27 Ending balance: # 1562		(	)	4,773		4,773		4,773		4,773		4,773	4,773
28			_										
28 29													

1.1

#### 31 Uncollected PILs

33 NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepavers. 34 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

- 38 (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.
- 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.
- (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

  (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

  (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

  (vi) Column M The 2005 PILs tax proxy will used for the period January 1. March 31, 2004. Input the variance in the whole year reconcilation.

  (vi) Column M The 2005 PILs tax proxy will used for the period January 1. March 31, 2004. Input the variance in the whole year reconcilation.

  (vi) 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.

  (vi) 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 true dup in 2002, 2003 and for the period January 1. March 31, 2004. Input the deferral variance in the whole year reconciliation.

  (vi) 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 true dup in 2002, 2003 and for the period January 1. March 31, 2005.

  (vi) 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 true dup in 2002, 2003 and January 1 to March 31, 2005.

  (vi) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy for 2002, 2003, 2004 and 2005.

  (vi) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy for 2002, 2003, 2004 and a volumetric proxy for 2002, 2003, 2004 and a volumetric proxy for 2002, 2003, 2004 and 2004, 2004, 2004, 2001

## **Entegrus Powerlines Inc. – Chatham-Kent**

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0097

Date Filed: July 20, 2012

# Attachment E 2003 Revised SIMPIL Model

# Disposition of Balance Recorded in Account 1562 Deferred PILs

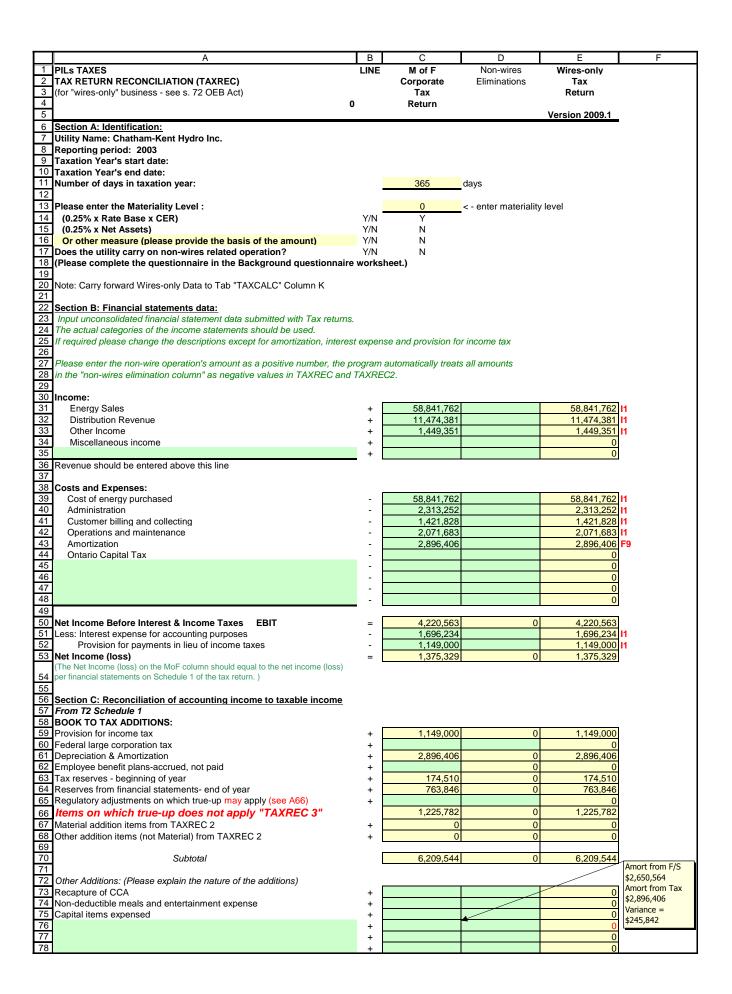
Distributor	Chatham-Kent Hydro Inc.
OEB File Number	EB-2012-0097
Filing Year	2003

	A	В	С	D	Е
1	PILS TAXES	-	-	<del>-</del>	Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
4	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2003			Colour Code Input Cell	
5	Reporting period: 2003			Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8	D A CIVODO UND				
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	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				•
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Υ	
20			Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0% 65%	
23		LCT			
24	Accounting Year End	_	Date	31-Dec-03	
	MARR NO TAX CALCULATIONS				Regulatory
27 28	SHEET #7 FINAL RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)				Income
29	USE BOARD-APPROVED AMOUNTS				
30		1			
31	Rate Base (wires-only)			45,653,588	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			6.05%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			3,035,964	1
ᅺ					700 470
43	1999 return from RUD Sheet #7			786,476	786,476
45 46	Total Incremental revenue			2,249,488	J
47	Input: Board-approved dollar amounts phased-in Amount allowed in 2001			1,077,000	1,077,000
48	Amount allowed in 2002			1,077,000	1,077,000
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) Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54 55	Total Regulatory Income				2,940,476
56	Equity			22,826,794	
57					
58	Return at target ROE			1,381,021	
59 60	Debt			22,826,794	]
61	DOM:			22,020,194	ı
	Deemed interest amount in 100% of MARR			1,654,943	
63	Phase in of interest Vegr 4 (2004)			1.045.005	1
65	Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61			1,015,805	J
	Phase-in of interest - Year 2 (2002)			1,602,891	
67	((D43+D47+D48)/D41)*D61				- 1
	Phase-in of interest - Year 3 (2003) and forward			1,602,891	
69 70	((D43+D47+D48)/D41)*D61 (due to Bill 210) Phase-in of interest - 2005			1,654,943	
71				.,001,010	•
72					

	A	В	С	D	Е	F	G	Н
	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
3	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing Variance	Filing	Returns	
4	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				K-C	Variance Explanation		
5	0						Version 2009.1	
6	Utility Name: Chatham-Kent Hydro Inc.							
7 8	Reporting period: 2003						Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11			\$		\$		TAXREC \$	
13			Ψ	Ħ	Ψ		Ψ	
14	I) CORPORATE INCOME TAXES							
15	Demileters Not Income DECINICO ESC		0.040.470		4 000 007		4 000 500	
17	Regulatory Net Income REGINFO E53	1	2,940,476	1	1,280,087		4,220,563	
	BOOK TO TAX ADJUSTMENTS							
19	Additions:	_	2 522 000		202 400		2 000 400	Do.
21	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	2	2,533,000 318,500	1	363,406 -318,500		2,896,406	P2
22	Tax reserves - beginning of year	4	0.10,000		174,510		174,510	i -
23	Reserves from financial statements - end of year	4			763,846		763,846	
24 25	Regulatory Adjustments - increase in income Other Additions (See Tab entitled "TAXREC")	5		1	0		0	
26	"Material" Items from "TAXREC" worksheet	6		1	0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6		1	0		0	
29	Other Additions (not "Material") "TAXREC 2"	6		H	1,225,782		1,225,782	
30	Items on which true-up does not apply "TAXREC 3"			1	1,223,102		1,223,102	
32	Deductions: Input positive numbers							
	Capital Cost Allowance and CEC	7	1,835,114		883,004		2,718,118	
34	Employee Benefit Plans - Paid Amounts	8	275,000		-275,000		0	
35 36	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	10		1	0		0	
37	Interest Expense Deemed/ Incurred	11	1,602,891		93,343		1,696,234	
38	Tax reserves - end of year	4			154,633		154,633	
39 40	Reserves from financial statements - beginning of year Contributions to deferred income plans	4			719,610 0		719,610	
41	Contributions to deferred income plans  Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44 45	"Material" Items from "TAXREC" worksheet Other Deductions (not "Material") "TAXREC"	12 12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				1,595,486		1,595,486	
49 50	TAXABLE INCOME/ (LOSS)		2,078,971	H	318,055	Before loss C/F	2,397,026	
51	TAXABLE INCOINE/ (LOSS)		2,070,971	H	310,000	Before loss C/I	2,397,020	
	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	H	-2.0000%		36.62%	
54 55	REGULATORY INCOME TAX		802,899	H	-112,835	Actual	690,064	
56			22,000	П	,000	, istuar	200,004	
57	Microllonous Toy Cradita			H	^			
59	Miscellaneous Tax Credits	14		1	0	Actual	0	
60	Total Regulatory Income Tax		802,899	Ħ	-112,835	Actual	690,064	
61								
62	II) CAPITAL TAXES							
64	III) CAFITAL TAXES							
65	Ontario			Ш				
66	Base	15	45,653,588	Н	6,701,886		52,355,474	013
67 68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	16	5,000,000 40,653,588	Н	-5,000,000 1,701,886		52,355,474	
69	- Caracio Capital		+0,000,000	Ħ	1,701,000		02,000,474	
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	П	0.0000%		0.3000%	
71 72	Ontario Capital Tax		121,961	H	35 106	Overpaid	157,066	$\vdash$
73			121,001	H	33,100	paid	137,000	
74	Federal Large Corporations Tax		45.050.55	Н	0.510.55		= 1 1== = -	
75 76	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	18 19	45,653,588 10,000,000	Н	8,516,990 -3,541,778		54,170,578 6,458,222	F45
77	Taxable Capital	19	35,653,588	H	4,975,212		47,712,356	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	П	0.0000%		0.2250%	
80 81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		80,221	Н	27,132		107,353	
82	Less: Federal Surtax 1.12% x Taxable Income	21	23,284	H	3,562		26,847	
83		'						
84 85	Net LCT		56,936	Н	23,570		80,506	
05		1	J.	Ш			<u> </u>	ш

THE PREFERRAL AND VARIANCE ACCOUNTS  PILE PREFERRAL AND VARIANCE ACCOUNTS  BIN INCLUSION IN RATES  ACCOUNTS  ACCOUNT		Δ.	В	C	Б	_	F		ш
Description of the Column Filling Activation Filling Filling Activation Filling Filling Activation Filling Fill	1	PII s TAXES	B ITFM	C Initial	D	E M of F	F M of F	G Tax	Н
The control particles are Tab TACREC									
Description	3								
District Value Charlam - Kent Hydro Inc.   Teleprining Periodic 2003   Column Reporting periodic 3605   Galax   Septiment of the Column Security 1						K-C	Explanation		
Appending period: 2003		-						Version 2009.1	
Days in reporting period:   3055   2055									
10   Total days in the calendary year:   365.   days   From TAXREC   TAXR		inceporting period. 2003						Column	
TARREC   S   S   TARREC   S   S   TARREC   S   S   S   TARREC   S   S   S   TARREC   S   S   S   S   TARREC   S   S   S   S   S   S   S   S   S		Days in reporting period:	365	days					
\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		Total days in the calendar year:	365	days					
13						•			
Section   Sect				\$	H	\$		\$	
37.50%   3		III) INCLUSION IN RATES							
Big   Dicome Tax (proxy tax is grossed-up)									
10	88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
1   Circy (proxy is is grossed-up)   23   4   24   24   24   2033   152,992		Income Tay (nearly tay in greened up)	22	4 204 620			A = ( ) = 1 0000	000.004	
22									
130   Total PILs for Rate Adjustment MUST AGREE WITH 2002   RAM DECISION									
1.5   Total PLLs for Rate Adjustment - MUST AGREE WITH 2002   25   1.497,696   Actual 2003   533,793   38   38   William									
B		Total Dilla for Data Adhasta		4 10= 11				000 = 1	
38   38   39   N   FUTURE TRUE-UPS   100   N   2 Calculation of the True-up Variance   101   In Additions:   102   Employee Benefit Plans - Accrued. Not Paid   3   .518,500   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   4   177,510   130   Tax reserves deducted in prior year   5   130   Tax reserves from the prior tax faxREC   1   130   Tax reserves from the prior tax faxREC   1   130   Tax reserves from the prior tax purposes   9   1   130   Tax reserves form the prior tax purposes   9   1   130   Tax reserves form the prior tax purposes   9   1   130   Tax reserves form the prior tax purposes   9   1   130   Tax reserves form the prior tax purposes   9   1   130   Tax reserves form the prior tax purposes   9   1   130   Tax reserves form the prior tax reserves to deferred income plans   3   130   Tax reserves form the prior tax reserves to deferred income plans   3   130   Tax reserves form the prior tax reserves   1   1   1   1   1   1   1   1   1			25	1,497,696			Actual 2003	933,793	
Bay		RAM DECISION							
Dol N a Calculation of the True-up Variance   DR/(CR)									
100									
100   100						DR/(CR)			
103 Tax reserves deducted in prior year   4   174,510   104 Reserves from financial statements-end of year   4   763,846   105 Regulatory Adjustments   5   0   0   0   0   0   0   0   0   0			_			240 500			
103   103									
100   100									
1070 Other additions "Material" Items TAXREC 2   6   0   0   10   10   10   10   10	105	Regulatory Adjustments	5						
100   Deductions - positive numbers   8   275,000   9   100   10									
109			6			0			
110   terms Capitalized for Regulatory Purposes   9   10   111   111   10   10   112   111   112   10   113   114   115   10   115			g.		l	-275 000			
113   Interest Adjustment to tax purposes   (See Below - cell   1204)   11   11   11   11   11   11   11									
1131 Tax reserves claimed in current year   4   154.633   118 Reserves from F/S beginning of year   4   719.610   118 Reserves from F/S beginning of year   4   719.610   119.			10			0			
11-14 Reserves from F/S beginning of year   15 Contributions to deterred income plans   3						0			
115									
113   Contributions to pension plans   3   1   0   117   Other deductions "Material" Items TAXREC   12   0   0   0   0   0   0   0   0   0									
118									
119									
120		Other deductions "Material" Item TAXREC 2	12			0			
122   Income Tax Rate (including surtax) from 2003 Utility's tax return   123   124   Income Tax Effect on True-up adjustments   125   126   Less: Miscellaneous Tax Credits   14   0   128   129		Total TRUE-UPS before tax effect	26		_	20.613			
124   Income Tax Effect on True-up adjustments		Total TROE OF O Bollote tax ellect				20,010			
125   Income Tax Effect on True-up adjustments   126   Less: Miscellaneous Tax Credits   0   127   128   Total Income Tax on True-ups   7,548   129   7,548   129   130   Income Tax Rate used for gross-up (exclude surtax)   35,50%   131   132   TRUE-UP VARIANCE ADJUSTMENT   11,703		Income Tax Rate (including surtax) from 2003 Utility's tax return			х	36.62%			
125 126 Less: Miscellaneous Tax Credits 127 128 Total Income Tax on True-ups 129 130 Income Tax Rate used for gross-up (exclude surtax) 131 132 TRUE-UP VARIANCE ADJUSTMENT 133 1 V b) Calculation of the Deferral Account Variance caused by 135 REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) 137 138 REVISED CORPORATE INCOME TAX RATE (including Surtax) 139 140 REVISED REGULATORY INCOME TAX 141 142 Less: Revised Miscellaneous Tax Credits 143 144 Total Revised Regulatory Income Tax 145 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell Less: Regulatory Income Tax Variance 148 Regulatory Income Tax Variance 144 Regulatory Income Tax Variance 154 165 175 184 185 185 184 185 185 185 185 185 185 185 185 185 185		In case Tay Fitted on Tay on a director and				7.540			
126   Less: Miscellaneous Tax Credits   14		Income Tax Effect on True-up adjustments			=	7,548			
Total Income Tax on True-ups    129		Less: Miscellaneous Tax Credits	14			0			
129   130   Income Tax Rate used for gross-up (exclude surtax)   35.50%     131   132   TRUE-UP VARIANCE ADJUSTMENT   11,703     133   IV b) Calculation of the Deferral Account Variance caused by changes in legislation   135   REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)   137   138   REVISED CORPORATE INCOME TAX RATE (including Surtax)   139   140   REVISED REGULATORY INCOME TAX   = 761,319   141   142   Less: Revised Miscellaneous Tax Credits   = 761,319   142   Less: Regulatory Income Tax   = 761,319   145   Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell   146   C58   148   Regulatory Income Tax Variance   = (41,579)   148   Regulatory Income Tax Variance   = (41,579)   147   148   Regulatory Income Tax Variance   = (41,579)   149   140									
130   Income Tax Rate used for gross-up (exclude surtax)   35.50%     131   TRUE-UP VARIANCE ADJUSTMENT   11,703     132   TRUE-UP VARIANCE ADJUSTMENT   11,703     133   IV b) Calculation of the Deferral Account Variance caused by changes in legislation   136   REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)   = 2,078,971     138   REVISED CORPORATE INCOME TAX RATE (including Surtax)   x 36.62%     139   140   REVISED REGULATORY INCOME TAX   = 761,319     141   142   Less: Revised Miscellaneous Tax Credits   = 761,319     143   Total Revised Regulatory Income Tax   = 761,319     144   Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell 146   C58)   = 802,899     147   148   Regulatory Income Tax Variance   = (41,579)   = (41,579)		Total Income Tax on True-ups				7,548			
TRUE-UP VARIANCE ADJUSTMENT    133		Income Tax Rate used for gross-up (exclude surtax)				35.50%			
IV b) Calculation of the Deferral Account Variance caused by changes in legislation	131								
IV b) Calculation of the Deferral Account Variance caused by changes in legislation  REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)  REVISED CORPORATE INCOME TAX RATE (including Surtax)  139  REVISED REGULATORY INCOME TAX  REVISED REGULATORY INCOME TAX  140  REVISED REGULATORY INCOME TAX  141  142  Less: Revised Miscellaneous Tax Credits  143  Total Revised Regulatory Income Tax  Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)  Regulatory Income Tax Variance  Regulatory Income Tax Variance  130  2,078,971  2,078,		TRUE-UP VARIANCE ADJUSTMENT				11,703			
thanges in legislation  REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial stimate column)  REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)  REVISED CORPORATE INCOME TAX RATE (including Surtax)  REVISED REGULATORY INCOME TAX  REVISED REGULATORY INCOME TAX  = 761,319  Less: Revised Miscellaneous Tax Credits  - 0  Less: Revised Regulatory Income Tax  Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)  Regulatory Income Tax Variance  Regulatory Income Tax Variance  = (41,579)	133	IV h) Calculation of the Deferral Account Variance caused by							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)   = 2,078,971	124								
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)  136 estimate column)  137 revised Revised Corporate Income Tax RATE (including Surtax)  139 revised Regulatory Income Tax  141 revised Regulatory Income Tax  Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell last Column Income Tax reported in the Initial Estimate Column Income Tax regulatory Income Tax Variance  148 regulatory Income Tax Variance  150 reported in the initial estimate Column (Cell last Regulatory Income Tax Variance equations)	_	Similar of the second of the s							
136		REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
138 REVISED CORPORATE INCOME TAX RATE (including Surtax)					=	2,078,971			
139		REVISED CORPORATE INCOME TAY DATE (including Surfay)			Ų	26 620/			
140   REVISED REGULATORY INCOME TAX     =   761,319		MENIOLD CONFORMIL INCOME TAX RATE (INCIDUALITY SUITAX)			^	30.02%			
142   Less: Revised Miscellaneous Tax Credits   -   0	140	REVISED REGULATORY INCOME TAX			=	761,319			
143		Lacas Basica d Microllana and Tay One ""							
Total Revised Regulatory Income Tax  Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell 146 C58)  147 148 Regulatory Income Tax Variance  = 761,319 - 802,899 - 802,899 - (41,579)		Less: Kevised Miscellaneous Tax Credits			-	0			
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell 146 C58)  147 8 Regulatory Income Tax Variance = (41,579)		Total Revised Regulatory Income Tax			_	761.319			
146 C58) - 802,899 147 148 Regulatory Income Tax Variance = (41,579)						.,			
147 148 Regulatory Income Tax Variance = (41,579)						000			
Regulatory Income Tax Variance = (41,579)		<u>(ეგ</u>			-	802,899			
		Regulatory Income Tax Variance			_	(41.579)			
170	149					, .,			

	A	В	С	D	Е	F	G	Н
1	PILs TAXES	ITEM	Initial	Ħ	M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)  0				K-C	Explanation	Version 2009.1	
6	Utility Name: Chatham-Kent Hydro Inc.						Version 2003.1	
7	Reporting period: 2003							
8		005					Column	
9 10	Days in reporting period: Total days in the calendar year:		days days				Brought From	
11	Total days in the calendar year.	303	uays				TAXREC	
12			\$		\$		\$	
13								
150	Ontario Capital Tax Base				45,653,588			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	40,653,588			
154	Rate - Tab Tax Rates cell C54			l.	0.20000/			
155 156	Rate - Tab Tax Rates cell C54			Х	0.3000%			
157	Revised Ontario Capital Tax			=	121,961			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							
158 159	Regulatory Ontario Capital Tax Variance				121,961 0			
160	regulatory Ofitatio Capital Tax Vallatice			-	U			
	Federal LCT							
	Base				45,653,588			
163 164	Less: Exemption from tab Tax Rates, Table 2, cell C40 Revised Federal LCT			-	10,000,000 35,653,588			
165	Revised Federal LCT			=	33,033,366			
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168 169	Gross Amount Less: Federal surtax				80,221 23,284			
170	Revised Net LCT			=	56,936			
171								
	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	56,936			
173 174	Regulatory Federal LCT Variance			=	0			
	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
	Income Tax (grossed-up)			+	(64,464)			
178	LCT (grossed-up) Ontario Capital Tax			+	0			
180	Ontario Gapital Tax			ľ				
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(64,464)			
182	TRUE UR VARIANCE (frame auli 1400)			١.	11 700			
184	TRUE-UP VARIANCE (from cell I130)			+	11,703			
185	Total Deferral Account Entry (Positive Entry = Debit)			_	(52,761)			
186	(Deferral Account Variance + True-up Variance)				(-,-,			
187								
188 189			ļ	Н			I I	$\vdash$
	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192	Total doomed interest (DECINEO)				1 654 040			
	Total deemed interest (REGINFO) Interest phased-in (Cell C36)				1,654,943 1,602,891			
195					1,002,001			
196	Variance due to phase-in of debt component of MARR in rates				52,052			
197 198	according to the Board's decision							
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				1,696,234			
	Less: Interest components excluded for true-up calculation purposes Adjusted Interest				53,514 1,642,720	(Interest on customer deposits)		
	Adjusted interest Total deemed interest (REGINFO CELL D61)				1,654,943			
205								
	Variance caused by excess debt				0			
207	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
209					0			
210	Total Interest Variance				52,052			
211								



	A	В	С	D	E	F
1	PILs TAXES	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		Return	
5	(	)	Return		V 0000 4	
79					Version 2009.1	1
80	Total Other Additions	- +	0	0	0	
81	Total Gulot Hadidono	- L	01		0	J
82	Total Additions	=	6,209,544	0	6,209,544	
83		_				
84 85	Recap Material Additions:		0	0	0	1
86			0	0		
87			0	0		
88			0	0		
89 90			0	0		
91		+	0	0		1
	Total Other additions >materiality level		0	0		
	Other additions (less than materiality level)		0	0		
94	Total Other Additions		0	0	0	
95	BOOK TO TAX DEDUCTIONS:					
	Capital cost allowance	. [	2,628,522		2,628,522	F9
	Cumulative eligible capital deduction	-	89,596		89,596	
99	Employee benefit plans-paid amounts	- [			0	
	Items capitalized for regulatory purposes	-			0	
101 102	Regulatory adjustments : CCA	-			0	
102					0	
-	Tax reserves - end of year	-	154,633	0		
	Reserves from financial statements- beginning of year	-	719,610	0		
	Contributions to deferred income plans	- [			0	
	Contributions to pension plans	-	4 505 400		0	
	Items on which true-up does not apply "TAXREC 3"		1,595,486	0	,,	
	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		
112	outer deduction from (not material) from 17 Vittee 2	_	01		0	
113	Subtotal	= [	5,187,847	0	5,187,847	]
	Other deductions (Please explain the nature of the deductions)	_				1
_	Charitable donations - tax basis Gain on disposal of assets	- [			0	F9
117	Call on disposal of assets				0	F9
118						F9
119	T. (0) D. (1)	-			0	
120 121	Total Other Deductions	= L	0	0	0	
122	Total Deductions	= [	5,187,847	0	5,187,847	]
123		_	-, -,-		- / - /-	•
124	Recap Material Deductions:		-1			1
125 126			0	0		
126			0	0		
128			0	0		
129			0	0	0	
	Total Other Deductions exceed materiality level		0	0		
	Other Deductions less than materiality level		0	0		
132	Total Other Deductions		0	0	0	]
	TAXABLE INCOME	= [	2,397,026	0	2.397.026	\$93,000 difference
	DEDUCT:	_	_,00.,020			bad debts re-asses
136		- [	40,087		40,087	
137	Net capital loss applied positive number	-	100.000			non-capital loss c/t
138 139	Charitable donations NET TAXABLE INCOME		400,000 1,956,939	0	400,000 1,956,939	re-assessment
140	THE TOTAL INCOME	- L	1,330,339	0	1,300,339	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+	463,041		463,041	
	Net Ontario Income Tax (Must agree with tax return)	+	227,023		227,023	O6
144	Subtotal Less: Miscellaneous tax credits (Must agree with tax returns)	=	690,064	0	690,064	
	Total Income Tax	-	690,064	0	690,064	
147		- L	300,004		, 000,004	
	FROM ACTUAL TAX RETURNS	_				<u> </u>
	Net Federal Income Tax Rate (Must agree with tax return)	L	23.66%		23.66%	
150 151	Net Ontario Income Tax Rate (Must agree with tax return)  Blended Income Tax Rate	F	11.60% 35.26%	*****	11.60%	
152	DICTION INCOME TAX NAIC	L	33.20%		35.26%	J

	Α	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	]		Return			
5					Version 2009.1	-
153	Section F: Income and Capital Taxes					1
154	<u> </u>					
155	RECAP					
156	Total Income Taxes	+	690,064	0	690,064	
157	Ontario Capital Tax	+	152,992		152,992	O13
	Federal Large Corporations Tax	+	90,737		90,737	F8
159		•				
160	Total income and capital taxes	=	933,793	0	933,793	

15   Reserve for goods & services ss.20(1)(m)	ly
3   For MoF Column of TAXCALC   Tax   Return	•
4	
S	
Columbia	
Title   Table   Tabl	09.1
Reporting period: 2003   9	
TAX RESERVES	
TAX RESERVES   11	
11	
12   Beginning of Year:	
13	
14   Reserve for doubtful accounts ss. 20(1)(I)   174,510   174	
15   Reserve for goods & services ss.20(1)(m)	U 1 540 537
16   Reserve for unpaid amounts ss.20(1)(n)	F37 0
17   Debt and share issue expenses ss.20(1)(e)   18   Other - Please describe	0
18	0
19   Other - Please describe	0
20   21	0
Total (carry forward to the TAXREC worksheet)	0
23   24   End of Year:	0
23   24   End of Year:	1,510
25   26   Reserve for doubtful accounts ss. 20(1)(l)   154,633   154   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   Insert line above this line   35   Total (carry forward to the TAXREC worksheet)   154,633   0   154   36   37   38   FINANCIAL STATEMENT RESERVES   154,633   0   154   36   37   38   FINANCIAL STATEMENT RESERVES   41   42   43   Environmental   44   Allowance for doubtful accounts   174,510   174   45   Inventory obsolescence   46   Property taxes   47   OPEB   545,100   545   48   Other - Please describe   545,100   545	
26   Reserve for doubtful accounts ss. 20(1)(I)   154,633   154   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)   154,633   0   154   36   37   38   FINANCIAL STATEMENT RESERVES   154,633   0   154   40   Beginning of Year:   41   42   43   Environmental   44   Allowance for doubtful accounts   174,510   174   45   Inventory obsolescence   46   Property taxes   47   OPEB   545,100   545   48   Other - Please describe   545,100   545	
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         4 Insert line above this line         35 Total (carry forward to the TAXREC worksheet)         40 Beginning of Year:         41         42         43 Environmental         44 Allowance for doubtful accounts       174,510       174         45 Inventory obsolescence         46 Property taxes       545,100       545         48 Other - Please describe	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           33           34 Insert line above this line           35 Total (carry forward to the TAXREC worksheet)           40 Beginning of Year:           41 42           43 Environmental           44 Allowance for doubtful accounts         174,510         174           45 Inventory obsolescence           46 Property taxes         545,100         545           48 Other - Please describe	,633 <b>F37</b>
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   Total (carry forward to the TAXREC worksheet)   154,633   0   154   154,6	0
30 Other - Please describe   31 Other - Please describe   32   33   34   Insert line above this line   35   Total (carry forward to the TAXREC worksheet)   154,633   0   154   154,633	0
31   Other - Please describe   32   33   34   Insert line above this line   35   Total (carry forward to the TAXREC worksheet)   154,633   0   154   36   37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year:   41   42   43   Environmental   44   Allowance for doubtful accounts   174,510   174   45   Inventory obsolescence   46   Property taxes   47   OPEB   545,100   545   48   Other - Please describe   545,100   545   545   5	0
32     33   34   Insert line above this line     35   Total (carry forward to the TAXREC worksheet)   154,633   0   154   36   37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year:	0
33	0
34   Insert line above this line	0
Total (carry forward to the TAXREC worksheet)   154,633   0   154,633   0   154,633   36   37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year:	0
36   37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year:	622
37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year:	,033
38 FINANCIAL STATEMENT RESERVES           40 Beginning of Year:         41           41 42         43 Environmental           44 Allowance for doubtful accounts         174,510         174           45 Inventory obsolescence         46 Property taxes         545,100         545           48 Other - Please describe         545,100         545	
39   40   Beginning of Year:	
41       42         43 Environmental       44 Allowance for doubtful accounts         44 Allowance for doubtful accounts       174,510         45 Inventory obsolescence       46 Property taxes         47 OPEB       545,100         48 Other - Please describe	
41       42         43 Environmental       44 Allowance for doubtful accounts         44 Allowance for doubtful accounts       174,510         45 Inventory obsolescence       46 Property taxes         47 OPEB       545,100         48 Other - Please describe	
43 Environmental         174,510         174           44 Allowance for doubtful accounts         174,510         174           45 Inventory obsolescence         46 Property taxes         545,100         545           48 Other - Please describe         545,100         545	0
44 Allowance for doubtful accounts       174,510       174         45 Inventory obsolescence       245 Inventory obsolescence       245 Inventory obsolescence         46 Property taxes       345,100       345,100         48 Other - Please describe       345,100       345,100	0
45 Inventory obsolescence         46 Property taxes           47 OPEB         545,100         545           48 Other - Please describe         545,100         545	0
46 Property taxes       47 OPEB       545,100       545         48 Other - Please describe       545,100       545	,510 <b>F37</b>
47 OPEB         545,100         545           48 Other - Please describe	0
48 Other - Please describe	0
	5,100 <b>F37</b>
49 Other - Please describe	0
50 51 Total (carry forward to the TAXREC worksheet) 719,610 0 719	610
Total (carry forward to the TAXREC worksheet) 719,610 0 719	) <mark>,610</mark>
53 End of Year:	
54 End of Year:	0
55	0 <b>F37</b>
56 Environmental	0
57 Allowance for doubtful accounts 154,633 154	,633 <b>F37</b>
58 Inventory obsolescence	0
59 Property taxes	0
	),213 <b>F37</b>
61	0 <b>F37</b>
62	0 <b>F37</b>
63 Insert line above this line 64 <b>Total (</b> carry forward to the TAXREC worksheet) 763,846 0 763	3,846

PILE TAXES   Corporate Eliminations   Tax   Return   Tax   Tax		A	В	С	D	E F
Tax   Ferrura RECONCILLATION (TAXRE 2)   Tax   Return   Return	$\overline{}$		•			
A fire wires-only' business - see s. 72 OEB Act)   Tax   Return			LINE			-
SARPEAYERS ONLY   Sharehold-only Items should be shown on TAXREC 3				•	Eliminations	
Start-holder-only Items should be shown on TAXREC 3   Version 2009.1	$\overline{}$					Return
3   Utility Name: Chatham-Kent Hydro Inc.   3   Reporting period: 2003				Return		Version 2009.1
3   Reporting period: 2003   10   Number of days in taxation year:   365   11   Materiality Level:   0   12   13   14   15   Section C: Reconciliation of accounting income to taxable income   15   Add:						
3   Reporting period: 2003   10   Number of days in taxation year:   365   11   Materiality Level:   0   12   13   14   15   Section C: Reconciliation of accounting income to taxable income   15   Add:	8	Utility Name: Chatham-Kent Hydro Inc.				
11   Materiality Level:	9	Reporting period: 2003				
13						
13		Materiality Level:		0		
15   Section C: Reconciliation of accounting income to taxable income   16   Add:						
15   Section C: Reconciliation of accounting income to taxable income   16   Add:						
16   Add:		Section C: Reconciliation of accounting income to taxable income				
13   Gain on sale of eligible capital property						
19   Loss on disposal of assets	17		+			0
1	18	Gain on sale of eligible capital property	+			
2   Taxable capital gains			+			
23   Scientific research expenditures deducted						
33   Scientific research expenditures deducted   +	21	I axable capital gains				
24   Der financial statements		Scientific research expenditures deducted				
25   Capitalized interest						
26   Soft costs on construction and renovation of buildings						
27   Capital items expensed						
Page   Financing fees deducted in books   +	27	Capital items expensed				0
30   Gain on settlement of debt   +     0   0			+			
1			+			
Secapture of SR&ED expenditures   +						
33   Share issue expense						
34   Write down of capital property   +	32	Share issue expense				
35						
Provision for bad debts						
37	36	Provision for bad debts		0		
39			+			0
A0			+			
1			+			
1	40	Other Additions: (please explain in detail the nature of the item)				
143						
44						
45						
Recap of Material Additions:						
48         Recap of Material Additions:           49         0         0         0           50         0         0         0           51         0         0         0           52         0         0         0           53         0         0         0           54         0         0         0           55         0         0         0           56         0         0         0           57         0         0         0           58         0         0         0           59         0         0         0           60         0         0         0           61         0         0         0           62         0         0         0           63         0         0         0           64         0         0         0           65         0         0         0           66         0         0         0           67         0         0         0           68         0         0         0           69 <t< td=""><td></td><td>Total Additions</td><td></td><td>0</td><td>0</td><td>0</td></t<>		Total Additions		0	0	0
49       0       0       0         50       0       0       0         61       0       0       0         52       0       0       0         53       0       0       0         54       0       0       0         56       0       0       0         57       0       0       0         58       0       0       0         59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0	47					
50         0         0         0           51         0         0         0           52         0         0         0           53         0         0         0           54         0         0         0           55         0         0         0         0           56         0         0         0         0           57         0         0         0         0           59         0         0         0         0           60         0         0         0         0           61         0         0         0         0           62         0         0         0         0           63         0         0         0         0           64         0         0         0         0           65         0         0         0         0           66         0         0         0         0           67         0         0         0         0           68         0         0         0         0           69         0         0		Recap of Material Additions:		-		
51       0       0       0         52       0       0       0         53       0       0       0         54       0       0       0         55       0       0       0         56       0       0       0         57       0       0       0         58       0       0       0         59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         71       0       0       0         72       0       0       0						
52         0         0         0           53         0         0         0           54         0         0         0           55         0         0         0         0           56         0         0         0         0           57         0         0         0         0           58         0         0         0         0           59         0         0         0         0           60         0         0         0         0           61         0         0         0         0           62         0         0         0         0           63         0         0         0         0           64         0         0         0         0           65         0         0         0         0           66         0         0         0         0           67         0         0         0         0           69         0         0         0         0           69         0         0         0         0           71						
53       0       0       0         54       0       0       0         55       0       0       0         56       0       0       0         57       0       0       0         58       0       0       0         59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
54       0       0       0         55       0       0       0         56       0       0       0         57       0       0       0         58       0       0       0         59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
55       0       0       0         56       0       0       0         57       0       0       0         58       0       0       0         59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
57         0         0         0           58         0         0         0           59         0         0         0           60         0         0         0           61         0         0         0           62         0         0         0           63         0         0         0           64         0         0         0           65         0         0         0           66         0         0         0           67         0         0         0           68         0         0         0           69         0         0         0           70         0         0         0           71         0         0         0           72         0         0         0				0	0	0
58         0         0         0           59         0         0         0           60         0         0         0           61         0         0         0           62         0         0         0           63         0         0         0           64         0         0         0           65         0         0         0           66         0         0         0           67         0         0         0           68         0         0         0           69         0         0         0           70         0         0         0           71         0         0         0           72         0         0         0						
59       0       0       0         60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
60       0       0       0         61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
61       0       0       0         62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
62       0       0       0         63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
63       0       0       0         64       0       0       0         65       0       0       0         66       0       0       0         67       0       0       0         68       0       0       0         69       0       0       0         70       0       0       0         71       0       0       0         72       0       0       0						
64     0     0     0       65     0     0     0     0       66     0     0     0     0       67     0     0     0     0       68     0     0     0     0       69     0     0     0     0       70     0     0     0     0       71     0     0     0     0       72     0     0     0     0						
66     0     0     0       67     0     0     0       68     0     0     0       69     0     0     0       70     0     0     0       71     0     0     0       72     0     0     0						0
67     0     0     0       68     0     0     0       69     0     0     0       70     0     0     0       71     0     0     0       72     0     0     0						
68     0     0     0       69     0     0     0       70     0     0     0       71     0     0     0       72     0     0     0						
69     0     0     0       70     0     0     0       71     0     0     0       72     0     0     0						
70     0     0     0       71     0     0     0       72     0     0     0						
71 0 0 0 72 0 0 0						
72 0 0 0						
	73			0	0	

	A	В	С	D	E	F
1						
	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	RATEPAYERS ONLY		Return		V 0000 4	
7	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2003					
	Number of days in taxation year:		365			
	Materiality Level:		000			
12	mutoriality 2010.		U			
13						
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
	Other additions less than materiality level		0	0	0	-
79	Total Additions		0	0	0	
80						
	Deduct:					1
	Gain on disposal of assets per f/s	-			0	-
	Dividends not taxable under section 83	-			0	-
	Terminal loss from Schedule 8 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	-
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98	T - 10 1 2	-		0	0	
100	Total Deductions	=	0	0	0	
	Recap of Material Deductions:					
102	Necap of Material Deductions.		0	0	0	1
103			0	0	0	
104			0	0	0	-
105			0	0	0	1
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	
117 118			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	
141	Total Deductions		U	U	U	

	A	В	С	D	E	F
1	Α	Ь	C	U		Г
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6			Tax		Return	
7		0	Return			
8	Utility Name: Chatham-Kent Hydro Inc.				Version 2009.1	
9						
10	Reporting period: 2003					
	Number of days in taxation year:		365			
13	Trainbor of days in taxation your.			l		
14						_
15						
	Section C: Reconciliation of accounting income to taxable income					
	Add:					
18	Recapture of capital cost allowance				0	1
	CCA adjustments	+			0	
	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	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+			0	
	Non-deductible meals	+	2,500		2,500	
	Non-deductible club dues	+	802		802	
	Non-deductible automobile costs  Donations - amount per books	+	400,000		400,000	-
	Interest and penalties on unpaid taxes	+	400,000		400,000	
	Management bonuses unpaid after 180 days of year end	+			0	
	Imputed interest expense on Regulatory Assets	+			0	
39	Taxable capital gains	+	24,478		24,478	
	Ontario capital tax adjustments	+			0	
	Changes in Regulatory Asset balances	+			0	
	Re-assessment disallowance, including bad debts provision		93,000		93,000	
	Other Additions: (please explain in detail the nature of the item) Revenue Repayable	++	240,000		240,000	-
	Provision for Transition Costs	+	330,242		330,242	1
	Provision for RSVA	+	134,760		000,212	
47	Total Additions on which true-up does not apply	=	1,225,782	0	1,091,022	
48						
	Deduct:					
50	CCA adjustments					1
52	CCA adjustments CEC adjustments	-			0	1
53	Depreciation and amortization adjustments	-			0	1
	Gain on disposal of assets per financial statements	-	58,169		58,169	1
	Financing fee amorization - considered to be interest expense for PILs	-			0	]
	Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-			0	
	Income from joint ventures or partnerships	-			0	
59 60		-			0	
61					0	
62					0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year		156,544		156,544	]
65		-			0	
	Changes in Regulatory Asset balances	-	1,337,195		1,337,195	
67	Other deductions: (Please evaluin in detail the native of the item)	-			0	
	Other deductions: (Please explain in detail the nature of the item) Retirement benefit recorded to transition costs	-	43,578		43,578	1
70	Tremement benefit recorded to transition costs		+3,570		43,378	1
71		-			0	1
72		-			0	
	Total Deductions on which true-up does not apply	=	1,595,486	0	1,595,486	]
74					·	

1	A A	В	С	D	Е	F
	PILs TAXES				_	<u>,                                      </u>
2	Corporate Tax Rates					Version 2009.1
3	Exemptions, Deductions, or Thresholds					
4						
5 6	Reporting period: 2003					
7						Table 1
	Rates Used in 2002 RAM PILs Applications for 2002					Table 1
9	Income Range		0		200,001	
10	RAM 2002		to		to	>700,000
11		Year	200,000		700,000	
	Income Tax Rate					
	Proxy Tax Year	2002				
	Federal (Includes surtax)		13.12%		26.12%	26.12%
15			6.00%		6.00%	12.50%
16	Blended rate	_	19.12%		34.12%	38.62%
17	Comitted Toy Date		0.2000/			
	Capital Tax Rate LCT rate		0.300% 0.225%			
	Surtax	-1	1.12%			
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000			
	Federal Large Corporations Tax Exemption **	MAX \$10MM				
	**Exemption amounts must agree with the Board			l e filina	N	
	Zxompilon amounto must agree mai ano Zoara	арр. 6 гоа 20			9	
23						
24						
25						Table 2
	Expected Income Tax Rates for 2003 and Capital Tax Exen	ptions for 2003				
	Income Range		0	250,001		
	Expected Rates	.,	to	to	to	>1128000
29	Income Too Bate	Year	250,000	400,000	1,128,000	
	Income Tax Rate Current year	2002				
	Federal (Includes surtax)	2003	13.12%	22.12%	22.12%	24.12%
	Ontario		5.50%	5.50%	9.75%	12.50%
34	Blended rate		18.62%	27.62%	31.87%	36.62%
35	Diolidod Pato		10.0270	27.0270	01.0770	00.0270
	Capital Tax Rate		0.300%			
	LCT rate		0.225%			
	Surtax		1.12%			
39		MAX \$5MM	1.12% 5,000,000			
	Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003					
40	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	5,000,000 10,000,000		g regulat	ed activities.
40 41	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the	MAX \$10MM	5,000,000 10,000,000		g regulat	ed activities.
40 41 42	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the	MAX \$10MM	5,000,000 10,000,000		g regulat	
40 41 42 43	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the	MAX \$10MM	5,000,000 10,000,000		g regulat	ted activities.
40 41 42 43 44	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns	MAX \$10MM	5,000,000 10,000,000 ructions r	egardin		
40 41 42 43 44 45	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the	MAX \$10MM	5,000,000 10,000,000	egardin 250,001	400,001	Table 3
40 41 42 43 44	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range	MAX \$10MM	5,000,000 10,000,000 ructions r	egardin 250,001 to		Table 3
40 41 42 43 44 45 46 47 48	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r	egardin 250,001 to	400,001 to	Table 3
40 41 42 43 44 45 46 47 48 49	Ontario Capital Tax Exemption *** 2003  Federal Large Corporations Tax Exemption *** 2003  ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate  Current year	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1128000
40 41 42 43 44 45 46 47 48 49 50	Ontario Capital Tax Exemption *** 2003  Federal Large Corporations Tax Exemption *** 2003  ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate  Current year  Federal (Includes surtax)	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1128000 24.12%
40 41 42 43 44 45 46 47 48 49 50	Ontario Capital Tax Exemption *** 2003  Federal Large Corporations Tax Exemption *** 2003  ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate  Current year  Federal (Includes surtax)  Ontario	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%
40 41 42 43 44 45 46 47 48 49 50 51	Ontario Capital Tax Exemption *** 2003  Federal Large Corporations Tax Exemption *** 2003  ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate  Current year  Federal (Includes surtax)	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1128000 24.12%
40 41 42 43 44 45 46 47 48 49 50 51 52	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%
40 41 42 43 44 45 46 47 48 49 50 51 52 53	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate	MAX \$10MM e Board's inst	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax	Year  2003	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 55 56	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	Year  2003  MAX \$5.0MM	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 0	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000  24.12% 12.50% 36.62%
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 55 56 57 58	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year  2003  MAX \$5.0MM MAX \$10MM	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 0 6,458,222	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000  24.12% 12.50% 36.62%
40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 55 56 57 58	Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2003 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	Year  2003  MAX \$5.0MM MAX \$10MM	5,000,000 10,000,000 ructions r 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 0 6,458,222	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000  24.12% 12.50% 36.62%

	A	В	С	D	E F	G	H I	J K	L M	N O			
	PILs TAXES					-							
	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2003			e:	un Convention, , fo	rinaragas, ford	laaraaa			Version 2009.1 0			
5	Reporting period: 2003			Siç	gn Convention: + fo	i ilicrease, - ioi o	lecrease			v			
6													
7													
8	Year start:		10/1/200		1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006				
9	Year end:		12/31/200	<u> </u>	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	Total			
10													
11	Opening balance:	=		0	0	0	-52,761	-52,761	-52,761	0			
12	Board-approved PILs tax proxy from Decisions (1)	+/-								0			
14	True-up Variance Adjustment Q4, 2001 (2)	+/-								0			
	True-up Variance Adjustment (3)	+/-				11,703				11,703			
	Deferral Account Variance Adjustment Q4, 2001 (4) Deferral Account Variance Adjustment (5)	+/- +/-				-64,464				-64,464			
22	Adjustments to reported prior years' variances (6)	+/-				,				0			
23	Carrying charges (7)	+/-								0			
	PILs billed to (collected from) customers (8)	-											
25				0						0			
26 27	Ending helenee: # 4562	_		0	0	-52,761	-52,761	-52,761	-52,761	-52,761			
28	Ending balance: # 1562	_			0	-32,701	-32,701	-32,701	-52,701	-32,701			
29													
30													
31	Uncollected PILs												
33	NOTE: The purpose of this worksheet is to show the movement in Account	1562 which	h establishes	the rece	ivable from or liabilit	to ratenavers							
34	For explanation of Account 1562 please refer to Accounting Procedures Hai												
35													
36	Please identify if Method 1, 2 or 3 was used to account for the PILs pro	oxy and red	covery. AN	WER:									
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TA	XCALC spr	readsheet for	Q4 2001	1 and 2002.								
39	Please insert the Q4, 2001 proxy in column C even though it was ap			1, 2002.									
40	If the Board gave more than one decision in the year, calculate a we												
41	<ul><li>(ii) If the Board approved different amounts, input the Board-approved a</li><li>(iii) Column G - In 2003, the initial estimate should include the Q4 2001 P</li></ul>				tov provi								
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on A												
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 3					1 to December 31,	2005.						
45 46	(vi) Column M - The 2005 PILs tax proxy will used for the period from Jar	nuary 1 to A	April 30, 2006	S.									
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, F	Part IV a co	all 1132 of th	ο ΤΔΥCΔ	I C enreadsheet Th	e O4 2001 provv h	as to be						
48 49	trued up in 2002, 2003 and for the period January 1- March 31, 2004.					e Q+, 2001 ploxy ii	183 10 06						
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, F				LC spreadsheet.								
51 52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2003, 2004 and compare to the 2002 proxy for 2002, 2004 and compare to the 2002 proxy for 2	January 1 to	o warch 31,	2005.									
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, F						has to be						
54 55	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	Input the c	leferral varia	nce in the	e whole year reconcil	iation.							
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, F	Part IV a. o	ell  181. of th	e TAXCA	LC spreadsheet.								
57 58	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and 3												
58 59					oo will hove to be	iowad							
60	(6) The correcting entry should be shown in the year the entry was made. T	ne true-up	oi the carryii	ig charge	es will nave to be rev	iewea.							
61	(7) Carrying charges are calculated on a simple interest basis.												
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004	were hase	d on a fixed	charge a	nd a volumetric char	ne recovery by class	ss. The PII's rate						
64	components for Q4, 2001and 2002 were calculated in the 2002 approve												
65	2002 PILs tax proxy recovered by the volumetric rate by class as calcu												
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by c												
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, K	(va) for the	neriod (inclu	ding net :	inhilled at period end	1) multiplied							
69	by the PILs volumetric proxy rates by class (from the Q4, 2001and 20)												
70	plus, (b) customer counts by class in the same period multiplied by the												
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a vo	olumetric ba	asis by class	as calcul	ated by the 2004 RA	M, sheet 7,							
73	for the period April 1 to December 31, 2004, and add this total to the r												
75 76	In 2005, use the Board-approved 2005 PILs proxy, recovered on a vo	olumetric ba	asis by class	as calcul	ated by the 2005 RA	M, sheet 4,							
76	for the period April 1 to December 31, 2005. To this total, the 2004 vo												
77 78	to calculate the recovery for the period January 1 to March 31, 2005.												
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH	Account #	1590. Final	reconcilia	ation of PILs proxv ta	xes							
80	will have to include amounts from 1562 and from 1590.	,											
81													
82													

2003\_1562\_Disposition\_PILs\_Model\_20120720



## **Entegrus Powerlines Inc. – Chatham-Kent**

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0097

Date Filed: July 20, 2012

# Attachment F 2004 Revised SIMPIL Model

# Disposition of Balance Recorded in Account 1562 Deferred PILs

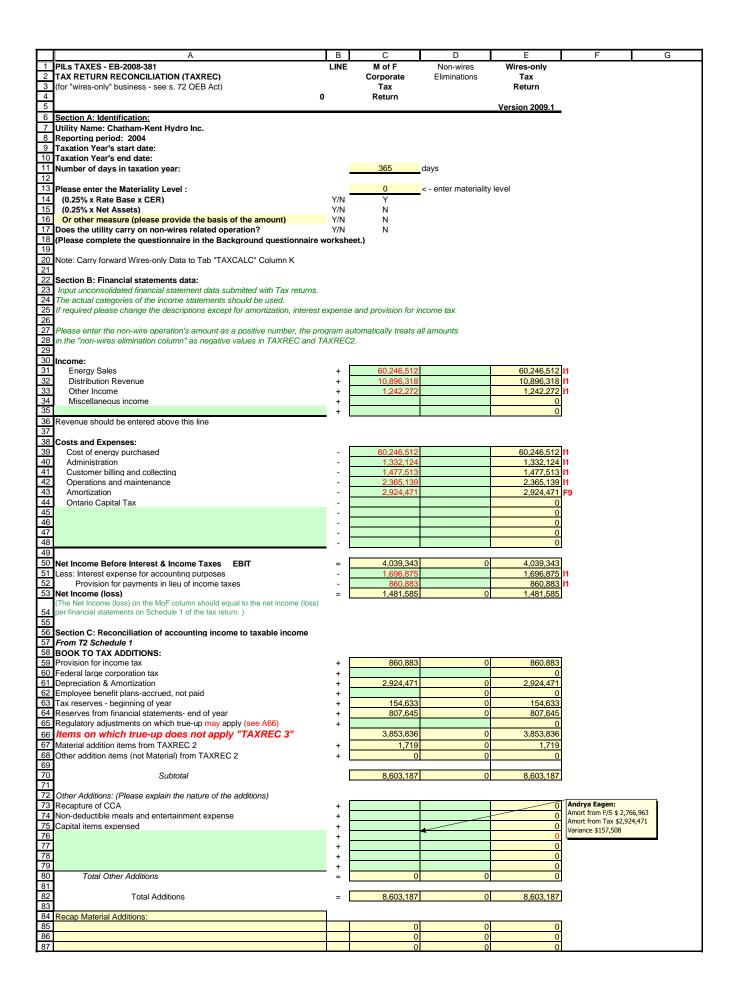
Distributor	Chatham-Kent Hydro Inc.
OEB File Number	EB-2012-0097
Filing Year	2004

	A	В	С	D	Е
1	PILs TAXES - EB-2008-381		Ŭ	J	Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Chatham-Kent Hydro Inc.			Colour Code	
5	Reporting period: 2004			Input Cell Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:		days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate				
12	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	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	ОСТ	Y/N	Υ	
19 20	Are the Ornano Capital Tax & Large Corporations Tax Exemptions shared among the Corporate group?		Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT	1/19	93.1762%	O10
22	, opoudolos	LCT		93.6400%	F29
23	Accounting Year End		Date	31-Dec-04	
20		1	Date	31-060-04	B 1.4
26 27	MARR NO TAX CALCULATIONS SHEET #7 FINAL RUD MODEL DATA				Regulatory Income
28	(FROM 1999 FINANCIAL STATEMENTS)				income
29	USE BOARD-APPROVED AMOUNTS				
30					
52	Rate Base (wires-only)		P1	45,653,588	
33	Common Equity Ratio (CER)		P1	50.00%	
35	1-CER			50.00%	
37	Target Return On Equity		P1	6.05%	
39	Debt rate		P1	7.25%	
41	Market Adjusted Revenue Requirement			3,035,964	]
43	1999 return from RUD Sheet #7		P1	786,476	786,476
45	Total Incremental revenue			2,249,488	
	Input: Board-approved dollar amounts phased-in				•
47	Amount allowed in 2001		P1	1,077,000	
48 49	Amount allowed in 2002 Amount allowed in 2003 and 2004 (will be zero due to Bill 210		P1	1,077,000	1,077,000
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53 54	Total Regulatory Income				2,940,476
55	i our regulatory income				2,340,470
56	Equity			22,826,794	]
57 58	Return at target ROE			1,381,021	, l
59				1,001,021	<u> </u>
60 61	Debt			22,826,794	J
	Deemed interest amount in 100% of MARR			1,654,943	<sub>1</sub>
63					·
64 65	Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61			1,015,805	J
	Phase-in of interest - Year 2 (2002)			1,602,891	]
67	((D43+D47+D48)/D41)*D61				1
69	Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)			1,602,891	J
	Phase-in of interest - 2005			1,654,943	]
71				<u> </u>	
72 73					
73					

	A	В	С	D E	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial	M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate	Filing	Filing	Returns	
4	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)			Variance K-C	Variance Explanation		
5	0					Version 2009.1	
7	Utility Name: Chatham-Kent Hydro Inc. Reporting period: 2004						
8	Reporting period: 2004					Column	
9	Days in reporting period:		days			Brought	
10 11	Total days in the calendar year:	365	days			From	
12			\$	\$		TAXREC \$	
13						*	
14	I) CORPORATE INCOME TAXES						
15 16	Regulatory Net Income REGINFO E53	1	2,940,476	1,098,867		4.039.343	
17			2,0 10,110	1,000,001		1,000,010	
18 19	BOOK TO TAX ADJUSTMENTS  Additions:						
	Depreciation & Amortization	2	2,533,000	391,471		2,924,471	P2
21	Employee Benefit Plans - Accrued, Not Paid	3	318,500	-318,500		0	P2
22	Tax reserves - beginning of year	4		154,633		154,633	
24	Reserves from financial statements - end of year Regulatory Adjustments - increase in income	4 5		807,645 0		807,645 0	
25	Other Additions (See Tab entitled "TAXREC")						
26 27	"Material" Items from "TAXREC" worksheet Other Additions (not "Material") "TAXREC"	6 6		0		0	
28	"Material Items from "TAXREC 2" worksheet	6		1,719		1,719	] ]
29	Other Additions (not "Material") "TAXREC 2"	6		0		0	
30	Items on which true-up does not apply "TAXREC 3"			3,853,836		3,853,836	
31 32	Deductions: Input positive numbers						
33	Capital Cost Allowance and CEC	7	1,835,114	844,356		2,679,470	
34	Employee Benefit Plans - Paid Amounts	8	275,000	-275,000			P2
35 36	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	9 10		0		0	
37	Interest Expense Deemed/ Incurred	11	1,602,891	93,984		1,696,875	
38 39	Tax reserves - end of year	4		134,967		134,967	
40	Reserves from financial statements - beginning of year Contributions to deferred income plans	3		763,846 0		763,846 0	
41	Contributions to pension plans	3		0		0	
42	Interest capitalized for accounting but deducted for tax	11		0		0	
43 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 47	Material Items from "TAXREC 2" worksheet	12 12		0		0	
48	Other Deductions (not "Material") "TAXREC 2"  Items on which true-up does not apply "TAXREC 3"	12		3,926,651		3,926,651	
49	neme on miner and up according uppry						
50	TAXABLE INCOME/ (LOSS)		2,078,971	500,867	Before loss C/F	2,579,838	
51 52	BLENDED INCOME TAX RATE						
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	-2.5001%		36.12%	
54			000.000	45.540	A.c. I	707.050	Ш
55 56	REGULATORY INCOME TAX		802,899	-15,543	Actual	787,356	$\vdash$
57							1 1
58 59	Miscellaneous Tax Credits	14		0	Actual	0	
60	Total Regulatory Income Tax		802,899	-15,543	Actual	787,356	$\vdash$
61	<u> </u>				. iotaa	,	П
62	II) CAPITAL TAXES						
64	III) CAFII AL TAXES						
65	Ontario						
66 67	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	15 16	45,653,588 5,000,000	11,243,483 -341,188		56,897,071 4,658,812	010
68	Taxable Capital	10	40,653,588	10,902,295		52,238,259	曰
69	·						П
70 71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
72	Ontario Capital Tax		121,961	34,754	Overpaid	156,715	
73							
74 75	Federal Large Corporations Tax Base	18	45,653,588	13,995,720		59,649,308	F29
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	36,820,000		46,820,000	. 23
77	Taxable Capital		35,653,588	50,815,720		12,829,308	
78 79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	-0.0250%		0.2000%	
80	Taki Takita Tagalalary, Lablo I, Adidal, Lablo J	20				0.200076	] ]
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		80,221	-54,562		25,659	
82 83	Less: Federal Surtax 1.12% x Taxable Income	21	23,284	5,610		28,894	
84	Net LCT		56,936	-60,172		-3,236	
85		]					Ш

_	Λ	В	С	D	Е	F		Н
1	A PILs TAXES - EB-2008-381	B ITEM	Initial	ט	M of F	M of F	G Tax	п
	PILS DEFERRAL AND VARIANCE ACCOUNTS	,	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	Versier coop :	
	0 Utility Name: Chatham-Kent Hydro Inc.						Version 2009.1	
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:		days				Brought	
10	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		S S	
13					·		·	
	III) INCLUSION IN RATES							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89			37.3076					
90	Income Tax (proxy tax is grossed-up)	22	1,284,638			Actual 2004	787,356	
91	LCT (proxy tax is grossed-up)	23	91,098			Actual 2004	1,245	
92 93	Ontario Capital Tax (no gross-up since it is deductible)	24	121,961			Actual 2004	156,715	
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	1,497,696			Actual 2004	945,316	
96 97	RAM DECISION							
98				-				$\vdash$
	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
	In Additions:	_			0			
	Employee Benefit Plans - Accrued, Not Paid Tax reserves deducted in prior year	3 4			-318,500 154,633			
	Reserves from financial statements-end of year	4			807,645			
105	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2  In Deductions - positive numbers	6			1,719			
	Employee Benefit Plans - Paid Amounts	8			-275,000			
110	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell I204) Tax reserves claimed in current year	11 4			0 134,967			
	Reserves from F/S beginning of year	4			763,846			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
118	Other deductions "Material" Items TAXREC Other deductions "Material" Item TAXREC 2	12 12			0			
119	Citics deductions indicate norm (7) Wiles 2							
	Total TRUE-UPS before tax effect	26		=	21,684			
121 122	Income Tax Rate (including surtax) from 2004 Utility's tax return				36.12%			
123	income Tax Rate (including surfax) from 2004 Office's tax return			Х	30.12%			
124	Income Tax Effect on True-up adjustments			=	7,832			
125	Loos: Missollopous Toy Credits	4.4						
126 127	Less: Miscellaneous Tax Credits	14			0			
	Total Income Tax on True-ups				7,832			
129								
130 131	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
	TRUE-UP VARIANCE ADJUSTMENT				12,050			
133					,			
	IV b) Calculation of the Deferral Account Variance caused by							
	changes in legislation							
135	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
136	estimate column)			=	2,078,971			
137	·							
	REVISED CORPORATE INCOME TAX RATE (including surtax)			х	36.12%			
139 140	REVISED REGULATORY INCOME TAX			  -	750,923			
141				Ī	. 00,020			
142	Less: Revised Miscellaneous Tax Credits			-	0			
143	Total Pavisad Pagulatory Income Tay			L	750 022			
144	Total Revised Regulatory Income Tax			=	750,923			
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell							
	C58)			-	802,899			
147	Regulatory Income Tay Variance			l_	(51.076)			
148	Regulatory Income Tax Variance			=	(51,976)			
0				_				

_	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial	۳	M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)		Latimate		Variance	Variance	Retuins	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	( Wiles-only business - see rab TAXREC)				1.00	Explanation	Version 2009.1	
6	Utility Name: Chatham-Kent Hydro Inc.						16131011 2003.1	
7	Reporting period: 2004							
8	Reporting period. 2004						Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:		days				From	
11	Total days in the calendar year.	303	uays				TAXREC	
12			\$		\$		\$	
13			Ψ	H	Ψ		Ψ	
	Ontario Capital Tax							
151	Base			1_	45,653,588			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			1-	5,000,000			
	Revised deemed taxable capital			I_	40,653,588			
154	Trovided deciried taxable dapital				10,000,000			
	Rate - Tab Tax Rates cell C54			×	0.3000%			
156	Tab Tak Tales our out			^	0.000070			
	Revised Ontario Capital Tax			I_	121,961			
1.57	Less: Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			[-]	121,001			
158	2000. O. a. a. o Capital Tax Toportou III the fillian estimate column (Cell C/O)				121,961			
159	Regulatory Ontario Capital Tax Variance				0			
160	Transfer of the state of the st							
	Federal LCT							
	Base				45,653,588			
	Less: Exemption from tab Tax Rates, Table 2, cell C40			L	50,000,000			
	Revised Federal LCT			L	(4,346,412)			
165	Nevised Federal LOT			1-	(4,540,412)			
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167	Ivale (as a result of legislative chariges) tablifax ivales cell cor				0.200070			
	Gross Amount				0			
	Less: Federal surtax			1_	0			
	Revised Net LCT			1_	0			
171	Nevised Net LOT			-	0			
	Less: Federal LCT reported in the initial estimate column (Cell C82)			1.1	56,936			
	Regulatory Federal LCT Variance			L	(56,936)			
174	Regulatory rederal LCT variance			1-	(50,550)			
	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176	Actual income rax rate used for gross-up (exclude surtax)				33.00%			
	Income Tax (grossed-up)				(79,963)			
178	LCT (grossed-up)			Ţ	(91,098)			
	Ontario Capital Tax			Ţ	(91,098)			
180	Ontario Capital Tax				U			
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			1_	(171,060)			
182	DEFERRAL ACCOUNT VARIANCE ADJUSTIMENT			1-	(171,000)			
	TRUE UR VARIANCE (from coll 1120)				12.050			
184	TRUE-UP VARIANCE (from cell l130)			+	12,050			
	Total Deferral Account Entry (Besitive Entry - Dehit)				(450.044)			
185	Total Deferral Account Entry (Positive Entry = Debit)			[=	(159,011)			
186	(Deferral Account Variance + True-up Variance)							
187								
188				+				Щ
189								
	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192					105.5			
193	Total deemed interest (REGINFO)				1,654,943			
	Interest phased-in (Cell C36)				1,602,891			
195								
	Variance due to phase-in of debt component of MARR in rates				52,052			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200					1.000.00			
	Interest deducted on MoF filing (Cell K36+K41)				1,696,875			
	Less: Interest components excluded for true-up calculation purposes					(Interest on customer deposits)		
	Adjusted Interest				1,654,320			
	Total deemed interest (REGINFO CELL D61)				1,654,943			
205								
	Variance caused by excess debt				0			
207								
208	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
209								
210	Total Interest Variance				52,052			



	A	В	С	D	E	F	F G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)	•	Tax		Return		
5		0	Return		Version 2009.1		
88			0	0		i	
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
	Total Other Additions		0	0	0	ļ	
95	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	. [	2,596,146		2,596,146	F10	
	Cumulative eligible capital deduction		83.324		83,324		
99	Employee benefit plans-paid amounts	- 1	,		0		
100	Items capitalized for regulatory purposes	- [			0		
101	Regulatory adjustments :	-			0		
102	CCA	-			0		
103	other deductions		404.007	0	0		
104	Tax reserves - end of year Reserves from financial statements- beginning of year	-	134,967 763,846	0	134,967 763,846	1	
	Contributions to deferred income plans		103,040	U	703,040	1	
107	Contributions to deferred income plans  Contributions to pension plans				0	4	
108	Items on which true-up does not apply "TAXREC 3"	Ī	3,926,651	0	3,926,651		
109		- 1			0		
110	Material deduction items from TAXREC 2	- [	0	0	0		
	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112		-					
113 114	Subtotal	= [	7,504,934	0	7,504,934	j	
115	Other deductions (Please explain the nature of the deductions)  Charitable donations - tax basis	П			0	1	
	Gain on disposal of assets	- 1				F10	
117		- 1				F10	
118					0		
119		- [			0		
120	Total Other Deductions	=	0	0	0	j	
121	T (1D ) (	-	7.504.004	0	7.504.004	1	
122 123	Total Deductions	= [	7,504,934	0	7,504,934	1	
	Recap Material Deductions:						
125			0	0	0		
126			0	0	0		
127			0	0	0		
128 129			0	0	0		
_	Total Other Deductions exceed materiality level	+ +	0	0	0		
	Other Deductions less than materiality level		0	0	0		
	Total Other Deductions		0	0	0		
133		_					
	TAXABLE INCOME	=	2,579,838	0	2,579,838		
135	DEDUCT:	ı				1	
136 137	Non-capital loss applied positive number  Net capital loss applied positive number	-			0	1	
138		- ·	400,000		400,000		
	NET TAXABLE INCOME	_ =	2,179,838	0	2,179,838	. 0	
140			, -,		, -,	•	
	FROM ACTUAL TAX RETURNS					-	
	Net Federal Income Tax (Must agree with tax return)	+	482,179		482,179		
	Net Ontario Income Tax (Must agree with tax return)	+	305,177		305,177	O3	
144	Subtotal Less: Miscellaneous tax credits (Must agree with tax returns)	=	787,356	0	787,356	1	
	Total Income Tax	-	787,356	0	787,356	1	
147	Total Invente Las	- L	101,330	0	101,330	ı	
148	FROM ACTUAL TAX RETURNS						
	Net Federal Income Tax Rate (Must agree with tax return)		22.12%	Į	22.12%		de federal income tax by the t
150	Net Ontario Income Tax Rate (Must agree with tax return)	Į.	14.00%	[	14.00%	Divid	de Ontario income tax by the t
151	Blended Income Tax Rate		36.12%	*******	36.12%	j	
152	Section F: Income and Capital Taxes						
153	Section F: Income and Capital Taxes						
	RECAP						
	Total Income Taxes	+	787,356	0	787,356	İ	
157	Ontario Capital Tax	+	156,715		156,715	011	
158	Federal Large Corporations Tax	+	1,245		1,245		
159						1	
160	Total income and capital taxes	=	945,316	0	945,316	j	
161							

	A	в с	D	E	F
1	PILs TAXES - EB-2008-381	LINE M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves	Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC	Tax		Return	
5	(for "wires-only" business - see s. 72 OEB Act)	Return		V 0000 4	
6	0			Version 2009.1	
7	Utility Name: Chatham-Kent Hydro Inc.				
8	Reporting period: 2004				
9	Roperting periodic 2001				
10	TAX RESERVES				
11					
	Beginning of Year:				
13	Reserve for doubtful accounts ss. 20(1)(l)	154,633		154,633	EO
	Reserve for goods & services ss.20(1)(m)	154,055		154,055	гэ
	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	
	Other - Please describe			0	
20				0	
21	Total (complements to the TAVESO 11.1.1.1	454,000		0	
22	<b>Total (</b> carry forward to the TAXREC worksheet)	154,633	0	154,633	j
	End of Year:				1
25	End of Fodi.			0	
26	Reserve for doubtful accounts ss. 20(1)(I)	134,967		134,967	F10
	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	
30	Other - Please describe			0	
31	Other - Please describe			0	
32				0	
33				0	
	Insert line above this line				
35	<b>Total (</b> carry forward to the TAXREC worksheet)	134,967	0	134,967	
36					
37	FINANCIAL CTATEMENT DECEDVES				
39	FINANCIAL STATEMENT RESERVES				
_	Beginning of Year:				1
41	Dogmining of Tour.			0	
42				0	
43	Environmental			0	
44	Allowance for doubtful accounts	154,633		154,633	
45	Inventory obsolescence			0	
	Property taxes			0	
47	OPEB	609,213		609,213	
48					
49				0	
50	Total forms formula de TAVOSO	700.010		700.010	F4.5
51 52	Total (carry forward to the TAXREC worksheet)	763,846	0	763,846	JF10
53	End of Year:				1
54	End of Tour.			0	
55				0	
	Environmental			0	1
57	Allowance for doubtful accounts	134,967		134,967	
58	Inventory obsolescence			0	
	Property taxes			0	
	OPEB	672,678		672,678	
61				0	
62				0	
_	Insert line above this line	227 2 :-		207.0:-	
64	Total (carry forward to the TAXREC worksheet)	807,645	0	807,645	F9
65					

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
_	TAX RETURN RECONCILIATION (TAXREC 2)	LINL		Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
_	RATEPAYERS ONLY		Return		Version 2009.1	
<u>6</u> 7	Shareholder-only Items should be shown on TAXREC 3				version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.					
9	Reporting period: 2004			•		
	Number of days in taxation year: Materiality Level:		365 0	i		
12			U			
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	+			0	
	Charitable donations (Only if it benefits ratepayers) Taxable capital gains	+			0	
22		+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+ +			0	
27	Capital items expensed	+			0	
	Debt issue expense	+			0	
	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	
	Write down of capital property  Amounts received in respect of qualifying environment trust	+ +			0	
	Provision for bad debts	+			0	
	Tax Interest	+	1,719		1,719	
38 39		+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Meals & Entertainment (Non-Deductible)	+			0 F	
	Interest earned on prior year tax balances	+			0 F	:9
43 44		+			0	
45		+			0	
46	Total Additions	=	1,719	0	1,719	
47 48	Recap of Material Additions:					
49	Treedy of Material 7 databases		0	0	0	
50			0	0		
51 52			0	0	0	
53			0	0	0	
54			0	0	0	
55 56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60 61			0	0	0	
62			0	0	0	
63			0	0	0	
64 65			0	0	0	
66			0	0	0	
67			0	0	0	
68	Tarelaterant		0	0	0	
69 70	Tax Interest		1,719 0	0	1,719 0	
71			0	0	0	
72			0	0	0	
73 74			0	0	0	
75			0	0	0	
			0	0	0	

	A	В	С	D	Е	F
1 2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)	LIINL		Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2004 Number of days in taxation year:		365	Ī		
	Materiality Level:		0			
12	materiality Level.			<u>.</u>		
13						•
77			0	0	0	
78						
	Total Material additions		1,719	0	1,719	
	Other additions less than materiality level		0	0	0	-
82	Total Additions		1,719	0	1,719	J
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83	-			0	- 1
86	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 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	-
94		-				
95		-			0	
96	Other tell of the Other control of the State	-			0	
97	Other deductions: (Please explain in detail the nature of the item)  Current years capital taxes				0	F10
99	Current years capital taxes				0	-
100					0	-
101		-			0	-
-	Total Deductions	=	0	0	0	
103						
	Recap of Material Deductions:	ı	1 0	0	0	1
105 106			0	0	0	-
107			0	0	0	
108			0	0	0	-
109			0	0	0	
110			0	0	0	-
111			0	0	0	-
112 113			0	0	0	- 1
114			0	0	0	
115			0	0	0	-
116			0	0	0	
117			0	0	0	
118			0	0	0	-
119			0	0	0	-
120 121			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	
125						•
126						

	A	В	С	D	E	F
1						•
2	PILs TAXES - EB-2008-381					
	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: Chatham-Kent Hydro Inc.				Version 2009.1	
9						
10						
	Reporting period: 2004					
	Number of days in taxation year:		365			
13						•
14 15						
-	Section C: Reconciliation of accounting income to taxable income					
	Add:					
18	Auu.					
	Recapture of capital cost allowance	+			0	1
	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	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 Loss on disposal of non-utility assets	+			0	
	Loss on disposal or non-utility assets Depreciation in inventory -end of year	+			0	
	Depreciation in inventory -end of year  Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+			0	
	Non-deductible meals	+	4,417		4,417	
	Non-deductible club dues	+	,		0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+	400,000		400,000	
	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	• Andrew Malay of Production	+			0	
	Ontario capital tax adjustments	+	2,268,990		2,268,990	
42	Changes in Regulatory Asset balances	+	2,200,990		2,200,990	
	Other Additions: (please explain in detail the nature of the item)	+			0	
	Revenue Repayable	+	294,850		294,850	
	Provision for Transition Costs	+	846,579		846,579	
46	Provision for RSVA	+	39,000			
47	Total Additions on which true-up does not apply	=	3,853,836	0	3,814,836	
48						_
_	Deduct:					
50						7
	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-	103 666		103 666	4
	Gain on disposal of assets per financial statements Financing fee amorization - considered to be interest expense for PILs	_	103,666		103,666	1
	Imputed interest income on Regulatory Assets	-			0	•
	Donations - amount deductible for tax purposes	-			0	
	Income from joint ventures or partnerships	_			0	-
	Revenue Repayable	-	240,000		240,000	
	Provision for Transition & RSVA Costs	-	465,002		465,002	
61		-			0	-
62		-			0	
63		-			0	
	Ontario capital tax adjustments to current or prior year	-	156,322		156,322	
65	Changes in Pagulatary Asset belonges	-	2.064.004		0.004.004	-
66	Changes in Regulatory Asset balances	-	2,961,661		2,961,661	1
68	Other deductions: (Please explain in detail the nature of the item)	-			0	•
69	Outer acadetions. (1 lease explain in detail the Hattire Of the Item)	_ [			0	
70		_			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	3,926,651	0	3,926,651	
74				<u></u>	<u></u>	
75						
76						

_	Α	В	С	D	Е	F
	PILs TAXES - EB-2008-381					
2	Corporate Tax Rates					Version 2009.
	Exemptions, Deductions, or Thresholds Utility Name: Chatham-Kent Hydro Inc.					
<u>3</u>	Reporting period: 2004					
<u>,</u> 7						Table 1
3	Rates Used in 2002 RAM PILs Applications for 2002					
	Income Range		0		200,001	
	RAM 2002		to		to	>700,000
11		Year	200,000		700,000	
2	Income Tax Rate					
	Proxy Tax Year	2002				
4	Federal (Includes surtax)		13.12%		26.12%	26.12%
5	and Ontario blended		6.00%		6.00%	12.50%
6	Blended rate		19.12%		34.12%	38.62%
7						
	Capital Tax Rate		0.300%			
	LCT rate		0.225%			
_	Surtax		1.12%			
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000			
	Federal Large Corporations Tax Exemption **	MAX \$10MM				
	**Exemption amounts must agree with the Board-	approved 20	002 RAM F	'ILs filin	ıg	
3						
1						_
						Table 2
	Expected Income Tax Rates for 2004 and Capital Tax Exemp	otions for 2004		050.001	100.001	
	Income Range		0	250,001	400,001	. 4 400 000
	Expected Rates	Year	to 250,000	to	to 1,128,000	>1,128,000
		rear	/3U UUU		1.126.000	
	Incomo Tay Pato		200,000	400,000	1,120,000	
)	Income Tax Rate		200,000	400,000	.,20,000	
,	Current year	2004				
	Current year Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
	Current year Federal (Includes surtax) Ontario		13.12% 5.50%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
)	Current year Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
) 1 3 4	Current year Federal (Includes surtax) Ontario Blended rate		13.12% 5.50% 18.62%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
0 1 2 3 4 5	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate		13.12% 5.50% 18.62% 0.300%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
0 1 2 3 4 5 6	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate		13.12% 5.50% 18.62% 0.300% 0.200%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
0 1 2 3 4 5 7	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax	2004	13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
) 1 3 7 3	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004	2004 MAX \$5MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
0 1 2 3 4 5 7 9	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
0 1 2 3 4 5 6 7 8 9	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
0 1 2 3 4 5 6 7 8 9 0	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
0 1 2 3 4 5 6 7 8 9 0 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
0 1 2 3 4 5 6 7 8 9 0 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87% ong regula	22.12% 14.00% 36.12% Ited
) 1 2 3 3 4 4 7 7 7 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87% 400,001	22.12% 14.00% 36.12% Ited  Table 3
) 	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87% ong regula	22.12% 14.00% 36.12% Ited  Table 3
)	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87% 400,001	22.12% 14.00% 36.12% Ited  Table 3
) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii	22.12% 9.75% 31.87% ng regula 400,001 to 1,128,000	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000
	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax)	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii 250,001 to 400,000	22.12% 9.75% 31.87% ang regula 400,001 to 1,128,000	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000
) 3 3 3 3 3 3 3 3	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions 0 to 250,000	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
) 	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax)	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions	22.12% 5.50% 27.62% regardii 250,001 to 400,000	22.12% 9.75% 31.87% ang regula 400,001 to 1,128,000	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000
0 1 1 2 3 3 4 4 5 6 6 6 7 7 8 8 9 9 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5.000,000 50,000,000 tructions  0 to 250,000	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
0 11 12 2 3 3 4 4 4 5 6 6 7 7 7 8 8 8 9 9 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5.000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300%	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
0 11 12 2 3 3 4 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate Capital Tax Rate CCT rate	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200%	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
0 1 1 2 3 3 4 4 5 6 6 7 7 8 8 9 9 0 0 1 1 2 2 3 3 4 4 4 6 6 6 7 7 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5.000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300%	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
33 34 35 36 37 38 39 39 30 40 41 41 42 33 34 44 44 47 47 47 47 47 47 47 47 47 47 47	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200%	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
0 1 1 2 3 3 4 4 5 6 6 7 7 8 8 9 9 0 0 1 1 1 1 1 1 2 1 1 1 1 1 1 1 1 1 1 1	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax	MAX \$5MM MAX \$50MM Board's ins	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,658,812	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% ng regula 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% Ited  Table 3  >1,128,000  22.12% 14.00%
0 1 1 2 2 3 4 4 5 6 6 7 7 8 8 9 9 0 0 1 1 1 2 2 3 3 4 4 4 6 7 7 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year  2004  MAX \$5MM  MAX \$50MM  Board's ins  Year  2004  MAX \$5MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,658,812 46,820,000	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% 400,001 to 1,128,000 22.29% 13.77% 36.06%	22.12% 14.00% 36.12% Table 3 >1,128,000 22.12% 14.00% 36.12%
11 22 33 44 45 5 5 5 5 5 7 7 33 8 9 9 9 9	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption *	Year  2004  MAX \$5MM  MAX \$50MM  Board's ins  Year  2004  MAX \$5MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,658,812 46,820,000	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% 400,001 to 1,128,000 22.29% 13.77% 36.06%	22.12% 14.00% 36.12% Table 3 >1,128,000 22.12% 14.00% 36.12%
	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ***Allocation of exemptions must comply with the activities.  Input Information from Utility's Actual 2004 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year  2004  MAX \$5MM  MAX \$50MM  Board's ins  Year  2004  MAX \$5MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 tructions  0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 4,658,812 46,820,000	22.12% 5.50% 27.62% regardii 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% 400,001 to 1,128,000 22.29% 13.77% 36.06%	22.12% 14.00% 36.12% Table 3 >1,128,000 22.12% 14.00% 36.12%

	A	В	С	D	E	F	G	Н	1	J K	. I	L M	N	0
	PILs TAXES - EB-2008-381													
3	Analysis of PILs Tax Account 1562: Utility Name: Chatham-Kent Hydro Inc.												v	/ersion 2009.1
4	Reporting period: 2004			Sig	gn Conventio	n: + for i	ncrease; - for	r decrea	ise					0
5														
7														
8	Year start:		10/1/200		1/1/200		1/1/200		1/1/2004		1/1/2005	1/1/20		
9	Year end:	_	12/31/200	1	12/31/200	2	12/31/200	3	12/31/2004	12,	/31/2005	4/30/20	06	Total
11	Opening balance:			0		0		0	0		159,011	-159,0	1	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-							_		,	,.		0
14 16	True-up Variance Adjustment Q4, 2001 (2)	+/-							40.050					0
18	True-up Variance Adjustment (3) Deferral Account Variance Adjustment Q4, 2001 (4)	+/-							12,050					12,050 0
20	Deferral Account Variance Adjustment (5)	+/-							-171,060					-171,060
22	Adjustments to reported prior years' variances (6)	+/-												0
23 25	Carrying charges (7) PILs billed to (collected from) customers (8)	+/-		0										0
26		_											_	
27	Ending balance: # 1562			0		0		0	-159,011		159,011	-159,0	1	-159,011
28														
29 30														
31 32	Uncollected PILs													
33	NOTE: The purpose of this worksheet is to show the movement in Accoun	nt 1562 w	hich establishes	the rece	eivable from or	liability to	o ratepayers.							
34	For explanation of Account 1562 please refer to Accounting Procedures Ha													
34 35 36 37 38 39	Please identify if Method 1, 2 or 3 was used to account for the PILs pro	oxy and	recovery. ANS	WER:										
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TA				1 and 2002									
39	Please insert the Q4, 2001 proxy in column C even though it was a													
40	If the Board gave more than one decision in the year, calculate a w	eighted a	average proxy.											
41	<ul><li>(ii) If the Board approved different amounts, input the Board-approved a</li><li>(iii) Column G - In 2003, the initial estimate should include the Q4 2001 I</li></ul>													
43	(iii) Column G - in 2003, the initial estimate should include the Q4 2001 ii (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on					ined.								
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 3	31, 2005	, and the new 20	005 PILs			o December 3	1, 2005.						
45 46 47	(vi) Column M - The 2005 PILs tax proxy will used for the period from Ja	nuary 1	to April 30, 2006											
47	(2) From the Ministry of Finance Variance Column, under Future True-ups,						Q4, 2001 proxy	has to l	be					
48 49	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	. Input th	ne variance in the	e whole y	year reconcilat	ion.								
50	(3) From the Ministry of Finance Variance Column, under Future True-ups,	Part IV a	a, cell I132, of the	e TAXCA	ALC spreadshe	et.								
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and	January	1 to March 31, 2	2005.										
50 51 52 53	(4) From the Ministry of Finance Variance Column, under Future True-ups,							v has to	be					
54 55	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	. Input th	ne deferral variar	nce in the	e whole year re	econciliat	tion.							
56	(5) From the Ministry of Finance Variance Column, under Future True-ups,				ALC spreadshe	eet.								
57 58	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and	January	1 to March 31, 2	2005.										
59 60	(6) The correcting entry should be shown in the year the entry was made.	The true-	up of the carryin	g charge	es will have to	be reviev	wed.							
61 62	(7) Carrying charges are calculated on a simple interest basis.													
62		1 wo !	and on a first	hore-	nd n ueli	o obc	rocover- by the		o DII o rot-					
64	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 components for Q4, 2001and 2002 were calculated in the 2002 appro													
65	2002 PILs tax proxy recovered by the volumetric rate by class as calc	culated or				,	, , , , ,							
65 66 67 68	The 2005 PILs tax proxy is being recovered on a volumetric basis by	class.												
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, k													
69 70	by the PILs volumetric proxy rates by class (from the Q4, 2001and 20					ary 1 to N	March 31, 2004	l;						
72 73	plus, (b) customer counts by class in the same period multiplied by th In 2004, use the Board-approved 2002 PILs proxy, recovered on a vi- for the period April 1 to December 31, 2004, and add this total to the	olumetric	basis by class	as calcul	lated by the 20									
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a vi				-									
75 76	for the period April 1 to December 31, 2005. To this total, the 2004 vo						, 311001 4,							
77 78	to calculate the recovery for the period January 1 to March 31, 2005.		,											
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH	H Accour	nt # 1590. Final	reconcilia	ation of PILs p	roxy taxe	es							
80	will have to include amounts from 1562 and from 1590.				* F	,								

2004\_1562\_Disposition\_PILs\_Model\_20120720

## **Entegrus Powerlines Inc. – Chatham-Kent**

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0097

Date Filed: July 20, 2012

## Attachment G 2005 Revised SIMPIL Model

## Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor Chatham-Kent Hydro Inc.

OEB File Number EB-2012-0097

Filing Year 2005

	A	В	С	D	Е
1	PILs TAXES - EB-2008-381		J		Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Chatham-Kent Hydro Inc.			Colour Code	
5	Reporting period: 2005			Input Cell	
6	Days in reporting period:	365	days	Formula in Cell	
7	Total days in the calendar year:	365	days		
8			/-		
9	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11 12	confirm that it is not subject to regular corporate		V/NI	V	
10	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Υ	
20		LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0.0000%	010
22 23		LCT		52.0000%	F42
24	Accounting Year End		Date	31-Dec-05	
26	MARR NO TAX CALCULATIONS	1			Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29 30	USE BOARD-APPROVED AMOUNTS	j			
	Rate Base (wires-only)		P1	45,654,000	
33	Common Equity Ratio (CER)		P1	50.00%	
35	1-CER			50.00%	]
37	Target Return On Equity		P1	9.88%	
	Debt rate		P1	7.25%	
39 41	Market Adjusted Revenue Requirement		•	3,910,265	
41 43	1999 return from RUD Sheet #7		P1	786,000	
45				-	1 00,000
46	Total Incremental revenue Input: Board-approved dollar amounts phased-in			3,124,265	
47	Amount allowed in 2001		P1	1,077,000	1,077,000
48	Amount allowed in 2002		P1	1,077,000	
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
50	unless authorized by the Minister and the Board)			0	070.005
51 52	Amount allowed in 2005 - Third tranche of MARR re: CDM Other Board-approved changes to MARR or incremental revenue		P1	970,265	970,265
53	One board approved changes to warrie or incremental revenue				
54	Total Regulatory Income				3,910,265
55 56	Equity			22,827,000	1
57				22,021,000	_
58 59	Return at target ROE			2,255,308	
60	Debt			22,827,000	
61 62	Deemed interset amount in 100% of MAPP			1,654,958	,
63	Deemed interest amount in 100% of MARR				<u>'</u>
64 65	Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61			788,485	]
66	Phase-in of interest - Year 2 (2002)			1,244,308	]
67 68	((D43+D47+D48)/D41)*D61 Phase-in of interest - Year 3 (2003) and forward			1,244,308	l
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				·
70 71	Phase-in of interest - 2005			1,654,958	ı
72					

_	Α	Б	0	Ы	-	-	0	
1	A PILs TAXES - EB-2008-381	B ITEM	C Initial	D	E M of F	F M of F	G Tax	Н
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
	0 Utility Name: Chatham-Kent Hydro Inc.						Version 2009.1	
	Reporting period: 2005							
8							Column	
	Days in reporting period:		days				Brought	
10 11	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		\$	
13								
	I) CORPORATE INCOME TAXES							
15	Regulatory Net Income REGINFO E53	1	3,910,265		958,166		4.868.431	
17	Regulatory Net income REGINI O E33		3,910,203		930,100		4,000,431	
	BOOK TO TAX ADJUSTMENTS							
	Additions:	_	0.500.000		0.10 =00		0.040.000	
	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	2	2,533,000		313,538		2,846,538	
22	Tax reserves - beginning of year	4	U		134,967		134,967	
23	Reserves from financial statements - end of year	4			824,716		824,716	
	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			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			E 120 740		0	
30 31	Items on which true-up does not apply "TAXREC 3"				5,130,740		5,130,740	
	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	1,835,114		875,740		2,710,854	
	Employee Benefit Plans - Paid Amounts	8	0		0		0	
35	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	9 10			0		0	
	Interest Expense Deemed/ Incurred	11	1,654,958		71,322		1,726,279	
38	Tax reserves - end of year	4	.,000.,000		145,051		145,051	
	Reserves from financial statements - beginning of year	4			807,645		807,645	
40	Contributions to deferred income plans Contributions to pension plans	3			0		0	
	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45 46	Other Deductions (not "Material") "TAXREC"  Material Items from "TAXREC 2" worksheet	12 12	130,000		-130,000		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				5,721,381		5,721,381	
49								
50 51	TAXABLE INCOME/ (LOSS)		2,823,194		(129,012)	Before loss C/F	2,694,182	
	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 56	REGULATORY INCOME TAX		1,019,737	Н	-192,281	Actual	827,456	
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59			101	Ц				
60	Total Regulatory Income Tax		1,019,737	Н	-192,281	Actual	827,456	
62								
63	II) CAPITAL TAXES							
64	Ontorio							
	Ontario Base	15	45,654,000	H	4,835,867		50,489,867	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000	Ħ	-7,500,000		0	
68	Taxable Capital		38,154,000		-2,664,133		50,489,867	
69 70	Pata Tay Patas Pagulatany Tabla 1: Actual Tabla 2	17	0.3000%	Н	0.00000		0.30000	
71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	H	0.0000%		0.3000%	
72	Ontario Capital Tax		118,019		33,451	Overpaid	151,470	
73	5-1			П				
74 75	Federal Large Corporations Tax Base	18	45,654,000	Н	9,446,839		55,100,839	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	18	50,000,000	H	-24,000,000		26,000,000	
77	Taxable Capital		0		-14,553,161		29,100,839	
78	But To But Booking Till 1 1 1 1 Till 5		0.13555	Ц	0.05		0.00	
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%	Н	0.0250%		0.2000%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0	H	58,202		58,202	
82		21	0		30,175		30,175	
83	No. LOT			Ц	00.11			
84 85	Net LCT		0	Н	28,027		28,027	
00		<u> </u>						

_					1			4
H	Α	В	C	D	E	F	G	Н
	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing Variance	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)				Variance K-C	Variance Explanation		
5	( Wiles-only Dusiness - see Tab TANKEC)				K-C	Explanation	Version 2009.1	
6	Utility Name: Chatham-Kent Hydro Inc.						Version 2003.1	
7	Reporting period: 2005							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11					_		TAXREC	
12			\$	Н	\$		\$	
13	III) INOLUGION IN PATEO							
86	III) INCLUSION IN RATES							
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89	income Tax Rate used for gross- up (exclude surfax)		30.12%					
	Income Tax (proxy tax is grossed-up)	22	1,596,333			Actual 2005	827,456	
91	LCT (proxy tax is grossed-up)	23	0	1		Actual 2005	20,869	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	118,019			Actual 2005	131,970	
93								
94		1						
	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	1,714,352		[	Actual 2005	980,295	
96	RAM DECISION	1						
97				Ц				
98		1						
	IV) FUTURE TRUE-UPS	1			DD#65)			
	IV a) Calculation of the True-up Variance	1			DR/(CR)			
	In Additions:	_						
	Employee Benefit Plans - Accrued, Not Paid Tax reserves deducted in prior year	3 4			134,967			
103	Reserves from financial statements-end of year	4			824,716			
	Regulatory Adjustments	5			024,710			
	Other additions "Material" Items TAXREC	6			0			
	Other additions "Material" Items TAXREC 2	6			0			
	In Deductions - positive numbers	_						
109	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	4			145,051			
114	Reserves from F/S beginning of year Contributions to deferred income plans	4			807,645 0			
116	Contributions to deferred income plans  Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	6,987			
121								
122	Income Tax Rate (including surtax) from 2005 Utility's tax return			х	36.12%			
123	Local To Effect of Towns of Patricia	1			0.50			
124 125	Income Tax Effect on True-up adjustments	ĺ		=	2,524			
125	Less: Miscellaneous Tax Credits	14			0			
127	ECOS. IVIIGOOIIGITOOGS TAX OTOGIIG	'*			0			
	Total Income Tax on True-ups	1			2,524			
129		1						
	Income Tax Rate used for gross-up (exclude surtax)	1			35.00%			
131		1						
132	TRUE-UP VARIANCE ADJUSTMENT	1			3,883			
133	IV b) Coloulation of the Defended Account Vision 11	1						
	IV b) Calculation of the Deferral Account Variance caused by changes	ĺ		Ш				
	in legislation	1						
135	DECLII ATODVTAVADI E INICOME //I OSSES\ /so recorded in the initial activate	1						
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)	1		_	2,823,194			
137	column)	1		-	2,023,134			
138	REVISED CORPORATE INCOME TAX RATE (including surtax)	1		х	36.12%			
139	The finding strong	1			30.1270			
140	REVISED REGULATORY INCOME TAX	1		=	1,019,737			
141		ĺ		Ш	-			
142	Less: Revised Miscellaneous Tax Credits	1		-	0			
143		1						
144	Total Revised Regulatory Income Tax	1		=	1,019,737			
145	Local Bogulatory Income Tay reported in the Initial Estimate Calvary (C. II 050)	1			1.010.707			
146 147	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)	1		-	1,019,737			
147	Regulatory Income Tax Variance	1		ا_ا	0			
149	Regulatory Income Tax Variance	1		-	0			
173				ш				

_	Δ.	Б	_	Б	-	-	0	
	A PILs TAXES - EB-2008-381	B ITEM	C Initial	D	E M of F	F M of F	G Tax	Н
2	PILS DEFERRAL AND VARIANCE ACCOUNTS	I I LIVI	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance	110141110	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
	Utility Name: Chatham-Kent Hydro Inc.							
7	Reporting period: 2005						0.1	
8	Days in reporting periods	265	dovo				Column	
	Days in reporting period: Total days in the calendar year:		days days				Brought From	
11	Total days III the calendar year.	303	uays				TAXREC	
12			\$		\$		\$	
13								
150	Ontario Capital Tax							
	Base			=	45,654,000			
	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
	Revised deemed taxable capital			=	38,154,000			
154	Data Tab Tau Datas as II 054			.,	0.20000/			
156	Rate - Tab Tax Rates cell C54			×	0.3000%			
	Revised Ontario Capital Tax			L	114,462			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	118,019			
	Regulatory Ontario Capital Tax Variance			=	(3,557)			
160								
	Federal LCT							
	Base				45,654,000			
	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
165	Revised Federal LCT			=	(4,346,000)			
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167	Trate (as a result of legislative chariges) tab Tax Trates cell Col				0.200078			
	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171						i		
	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
	Regulatory Federal LCT Variance			=	0			
174	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176	Actual income Tax Nate used for gross-up (exclude surtax)				33.00 /8			
	Income Tax (grossed-up)			+	0			
	LCT (grossed-up)			+	0			
	Ontario Capital Tax			+	(3,557)			
180								
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(3,557)			
182	TRUE-UP VARIANCE (from cell I130)			١.	3,883			
184	TRUE-UP VARIANCE (ITOIII CEILTISU)			_	3,003			
_	Total Deferral Account Entry (Positive Entry = Debit)			l_	326			
	(Deferral Account Variance + True-up Variance)			-	020			
187	()							
188								
189								
	V) INTEREST PORTION OF TRUE-UP							
	Variance Caused By Phase-in of Deemed Debt							
192	Total deemed interest (REGINFO)	l			1,654,958			
	Interest phased-in (Cell C36)	l			1,034,938			
195		l			.,,,,,,,			
196	Variance due to phase-in of debt component of MARR in rates	l			410,649			
197	according to the Board's decision	l						
198		l						
	Other Interest Variances (i.e. Borrowing Levels	l						
	Above Deemed Debt per Rate Handbook) Interest deducted on MoF filing (Cell K36+K41)	l			1,726,279			
	Interest deducted on MoF filing (Cell K36+K41) Less: Interest components excluded for true-up calculation purposes	l			71,959	(Interest on cueto	I omer deposits and	canital tax\
	Adjusted Interest	l			1,654,320	unterest on cusic	חוטו עטףטאונא מווע	oupital tax)
	Total deemed interest (REGINFO CELL D61)	l			1,654,943			
205		l						
	Variance caused by excess debt	l			0			
207		l						
	Interest Adjustment for Tax Purposes (carry forward to Cell I110)	l			0			
209	Total Interest Veriance	l			410,649			
210	Total Interest Variance			_	410,649		l	
212								
213								

	Λ	В	0	D	_	F
1	A PILs TAXES - EB-2008-381	LINE	C M of F	D Non-wires	E Wires-only	F
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)	_	Tax		Return	
5		0	Return		Version 2009.1	
	Section A: Identification:				Version 2003.1	
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2005					
	Taxation Year's start date: Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12				,-		
13	Please enter the Materiality Level :		0.25%	< - enter materiality	/ level	
14 15	(0.25% x Rate Base x CER)	Y/N	Y N			
16	(0.25% x Net Assets)  Or other measure (please provide the basis of the amount)	Y/N Y/N	N N			
	Does the utility carry on non-wires related operation?	Y/N	N			
	(Please complete the questionnaire in the Background questionnaire	e worksl	heet.)			
19	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21	Note. Carry forward Wiles-Only Data to Tab TANCALC Columnity					
	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns					
24 25	The actual categories of the income statements should be used. If required please change the descriptions except for amortization, interes	t eynon	se and provision for	income tax		
26		UNDEIR	o ana provision ioi	oomo tax		
27	Please enter the non-wire operation's amount as a positive number, the p			all amounts		
28 29	in the "non-wires elimination column" as negative values in TAXREC and	TAXRE	C2.			
	Income:					
31	Energy Sales	+	71,404,758		71,404,758	
32	Distribution Revenue	+	11,694,561		11,694,561	
33	Other Income Miscellaneous income	+	1,336,837		1,336,837	
35	Miscellaneous income	+			0	
	Revenue should be entered above this line					
37						
38 39	Costs and Expenses: Cost of energy purchased	_ 1	71,404,758		71,404,758	
40	Administration	-	1,424,946		1,424,946	
41	Customer billing and collecting	-	1,404,972		1,404,972	
42	Operations and maintenance	-	2,486,511		2,486,511	
43 44	Amortization Ontario Capital Tax	-	2,846,538		2,846,538 0	
45	Reg Assets	-			0	
46		-			0	
47 48		-			0	
49					U	
_	Net Income Before Interest & Income Taxes EBIT	=	4,868,431	0	4,868,431	
	Less: Interest expense for accounting purposes	-	1,726,279		1,726,279	
52 53	Provision for payments in lieu of income taxes  Net Income (loss)	-	1,391,558 1,750,594	0	1,391,558 1,750,594	
55	(The Net Income (loss) on the MoF column should equal to the net income (loss)	- 1	1,730,394	0	1,730,334	
-	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:	i				
	Provision for income tax Federal large corporation tax	+	1,391,558	0	1,391,558	
	Depreciation & Amortization	+	2,846,538	0	2,846,538	
62	Employee benefit plans-accrued, not paid	+		0	0	
	Tax reserves - beginning of year	+	134,967	0	134,967 824,716	
	Reserves from financial statements- end of year Regulatory adjustments on which true-up may apply (see A66)	+	824,716	0	824,716	
	Items on which true-up does not apply "TAXREC 3"	'	5,130,740	0	5,130,740	
67	Material addition items from TAXREC 2	+	0	0	0	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69 70	Subtotal	[	10,328,519	0	10,328,519	
71			10,020,019	,	10,020,019	
72	Other Additions: (Please explain the nature of the additions)	1				
	Recapture of CCA Non-deductible meals and entertainment expense	+			0	
	Non-deductible meals and entertainment expense Capital items expensed	+			0	
76		+			0	
77		+			0	
78 79		+			0	
80	Total Other Additions	_ +	0	0	0	
81				•		
82	Total Additions	=	10,328,519	0	10,328,519	
83 84	Recap Material Additions:					
85			0	0	0	

	^	- n	0	D	_	
1	A PILs TAXES - EB-2008-381	LINE	C M of F	Non-wires	E Wires-only	F
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)	0	Tax Return		Return	
5	'	U	Return		Version 2009.1	
86			0	0	0	
87			0	0	0	
88 89		1	0	0	0	
90			0	0	0	
91	T		0	0	0	
92	Total Other additions >materiality level Other additions (less than materiality level)	-	0	0	0	
94	Total Other Additions	1 1	0	0	0	
95						
96 97	BOOK TO TAX DEDUCTIONS: Capital cost allowance		2,633,363		2 633 363	CCA per tax return
98	Cumulative eligible capital deduction	-	77,491		77,491	re-assessment
99	Employee benefit plans-paid amounts	- [			0	
100 101	Items capitalized for regulatory purposes Regulatory adjustments:	- 1			0	
102	CCA	- 1			0	
103	other deductions	- [			0	
104	Tax reserves - end of year	-	145,051	0	145,051	
105 106	Reserves from financial statements- beginning of year Contributions to deferred income plans	-	807,645	0	807,645 0	
107	Contributions to deferred income plans  Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		5,721,381	0	5,721,381	
109	Interest capitalized for accounting deducted for tax		0	0	0	
110 111	Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112					•	
113	Subtotal	=	9,384,931	0	9,384,931	
114 115	Other deductions (Please explain the nature of the deductions)  Charitable donations - tax basis				0	
116	Onantable donations - tax basis	- 1			0	
117		- [			0	
118 119		_ +			0	
120	Total Other Deductions	=	0	0	0	
121		_				
122 123	Total Deductions	=	9,384,931	0	9,384,931	
124	Recap Material Deductions:					
125			0	0	0	
126 127		+ +	0	0	0	
128			0	0	0	
129	Total Office Deal of the control of the last	-	0	0	0	
130 131	Total Other Deductions exceed materiality level  Other Deductions less than materiality level	1	0	0	0	
132	Total Other Deductions		0	0	0	
133	TAYADI E INCOME		0.004.400		0.004.400	
134 135	TAXABLE INCOME DEDUCT:	=	2,694,182	0	2,694,182	
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number				0	
138 139	Chartiable Donations NET TAXABLE INCOME		400,000 2,294,182	0	400,000 2 294 182	Difference due to ta
140	THE TOTAL INCOME	- L	۷,۷۶+,۱۵۷	U	2,234,102	Difference due to la
141	FROM ACTUAL TAX RETURNS	-				
142 143	Net Federal Income Tax (Must agree with tax return)  Net Ontario Income Tax (Must agree with tax return)	+	506,271 321,185		506,271 321,185	
144	Subtotal	=	827,456	0	827,456	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	- [			0	
146 147	Total Income Tax	=	827,456	0	827,456	
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.07%	[	22.07%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)  Blended Income Tax Rate	-	14.00%	*****	14.00%	Divide Ontario
151 152	Dienueu income Tax Kate	L	36.07%		36.07%	
153	Section F: Income and Capital Taxes					
154						
155 156	RECAP Total Income Taxes	+	827,456	0	827,456	
157	Ontario Capital Tax	+	131,970	0	131,970	
158	Federal Large Corporations Tax	+	20,869		20,869	
159	Total income and capital taxes	_ [	980,295	0	980,295	
160			900.293	U	900.290	

1	A	В	С	D	E	F
1 1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	<u>'</u>
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2005					
9						
	TAX RESERVES					
11	D : : (V	1				
13	Beginning of Year:				0	
_	Reserve for doubtful accounts ss. 20(1)(I)		134,967		134,967	
	Reserve for goods & services ss.20(1)(m)		134,907		0	
	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	
20					0	
21					0	
	Total (carry forward to the TAXREC worksheet)		134,967	0	134,967	
23						
	End of Year:					
25	December doubtful accounts as CO(4)///		104 404		101 191	
	Reserve for doubtful accounts ss. 20(1)(l) Reserve for goods & services ss.20(1)(m)		101,181 43,870		101,181 43,870	
	Reserve for goods & services ss.2u(1)(m)  Reserve for unpaid amounts ss.2u(1)(n)		43,870		43,870	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		145,051	0	145,051	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
38 39		,			1	
38 39 40	FINANCIAL STATEMENT RESERVES  Beginning of Year:				0	
38 39 40 41					0	
38 39 40 41 42	Beginning of Year:				0 0 0	
38 39 40 41 42 43	Beginning of Year:  Environmental		134,967		0	
38 39 40 41 42 43 44	Beginning of Year:		134,967		0	
38 39 40 41 42 43 44 45	Beginning of Year:  Environmental Allowance for doubtful accounts		134,967		0	
38 39 40 41 42 43 44 45 46	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence		134,967		0	
38 39 40 41 42 43 44 45 46 47	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		·		0 0 134,967 0	
38 39 40 41 42 43 44 45 46 47 48	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		·		0 0 134,967 0	
38 39 40 41 42 43 44 45 46 47 48 49	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		672,678		0 0 134,967 0 0 672,678	
38 39 40 41 42 43 44 45 46 47 48 49 50	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		·	0	0 0 134,967 0 0 672,678	
38 39 40 41 42 43 44 45 46 47 48 49 50 51	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)		672,678	0	0 0 134,967 0 0 672,678	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		672,678	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)		672,678	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet) End of Year:		672,678	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts		672,678	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 55 56 57 58	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 55 56 57 60 61	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 50 51 52 53 54 55 56 57 58 59	Beginning of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645	
38 39 40 41 42 43 44 45 46 47 50 51 52 53 54 55 56 57 58 59 60 61 62 63	Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Insert line above this line		672,678 807,645 101,181 723,535	0	0 0 134,967 0 0 672,678 0 0 807,645 0 0 101,181 0 0 723,535	
38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 55 55 56 60 61 62 63	Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB  Total (carry forward to the TAXREC worksheet)  End of Year:  Environmental Allowance for doubtful accounts Inventory obsolescence Property taxes OPEB		672,678 807,645	0	0 0 134,967 0 0 672,678 0 0 807,645 0 0 101,181 0 723,535	

	A	В	С	D	E	F
1	Λ			D		·
_	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	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						
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2005					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12						1
13						
14	Ocades O. December 1974 to a consensual transfer and a constitution of a constitution of a constitution of a consensual transfer and a constitution of a consensual transfer and a consensual transfer a					
	Section C: Reconciliation of accounting income to taxable income Add:					
7	Add:	. 1			0	1
	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
	Taxable capital gains	+			0	
2	Tanabio oaphai gairio	+			0	
	Scientific research expenditures deducted	+			0	
4	per financial statements	+			0	
	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
3	Share issue expense	+			0	
	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
6	Provision for bad debts	+			0	
7		+			0	
38		+			0	
39		+			0	
10	Other Additions: (please explain in detail the nature of the item)	+			0	
11	Meals & Entertainment (Non-Deductible)	+			0	
2		+			0	
3		+			0	
4		+			0	
5		+			0	
6	Total Additions	=	0	0	0	
7	December of Material A 1985 co					
	Recap of Material Additions:				_	1
9			0	0	0	
0			0	0	0	
1			0	0	0	
3			0	0	0	
3 4			0	0	0	
4 5			0	0	0	
5 6			0	0	0	
7			0	0	0	
68			0	0	0	
9			0	0	0	
0			0	0	0	
1			0	0	0	
2			0	0	0	
3			0	0	0	
4			0	0	0	
5			0	0	0	
6			0	0	0	
7			0	0	0	
8			0	0	0	
9			0	0	0	
0			0	0	0	
-			0	0	0	
'1			0	0	0	
'1 '2 '3			0	0	0	

	A	В	С	D	E	F
1						
	PILs TAXES - EB-2008-381	LINE		Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act) RATEPAYERS ONLY		Tax Return		Return	
	Shareholder-only Items should be shown on TAXREC 3		Retuin		Version 2009.1	
7	onareholder-only items should be shown on TAXILLO 5				Version 2003.1	
	Utility Name: Chatham-Kent Hydro Inc.					
	Reporting period: 2005					
10	Number of days in taxation year:		365			
	Materiality Level:		0			
12						Ī
13				_		•
76			0	0	0	
77 78			0	0	0	
	Total Material additions		0	0	0	
	Other additions less than materiality level		0	0	0	
81	Total Additions		0	0	0	
82						•
	Deduct:					-
84	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 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	
93	Other income from financial statements	-			0	
94		-				
95		-			0	
96		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
	Current year capital taxes	-			0	
99 100		-			0	
101		_			0	
	Total Deductions	=	0	0	0	
103						
	Recap of Material Deductions:					•
105			0	0	0	
106			0	0	0	
107			0	0	0	
108 109			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			0	0	0	
120 121			0	0	0	
	Total Deductions exceed materiality level		0	0	0	
	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						<u> </u>

	A	В	С	D	Е	F
1	·	, -			<u>-</u>	
2	PILs TAXES - EB-2008-381					
	TAX RETURN RECONCILIATION (TAXREC 3)					
	Shareholder-only Items should be shown on TAXREC 3	LINE		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			
	Utility Name: Chatham-Kent Hydro Inc.				Version 2009.1	
9 10						
	Reporting period: 2005					
	Number of days in taxation year:		365			
13				.1		
14						•
15						
	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
	Recapture of capital cost allowance	_			0	Ì
	CCA adjustments	+			0	
	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property	+	13,890		13,890	
	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	
	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
	Dividends credited to investment account	+			0	
	Non-deductible meals	+	2,774		2,774	
	Non-deductible club dues Non-deductible automobile costs	+			0	
	Donations - amount per books	т	400,000		400,000	
	Interest and penalties on unpaid taxes		100,000		0	
	Management bonuses unpaid after 180 days of year end				0	
	Imputed interest expense on Regulatory Assets				0	
	Additional depreciation included in financial statement O&M	+	161,819		161,819	
	Ontario capital tax adjustments	+	2,961,661		2,961,661	
	Changes in Regulatory Asset balances Regulatory Asset Recoveries	Ī	969,368		969,368	
43	Other Additions: (please explain in detail the nature of the item)	+	000,000		0	
	Revenue Repayable	+	83,650		83,650	
	Provision for Transition Costs	+	507,578		507,578	
	Provision for RSVA	+	30,000		5 400 740	
48	Total Additions on which true-up does not apply	=	5,130,740	0	5,100,740	
	Deduct:					
50	<del></del>					
51	CCA adjustments	-			0	
	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-	00.000		0	
	Gain on disposal of assets per financial statements Financing fee amorization - considered to be interest expense for PILs	-	83,930		83,930	
	Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-			0	
	Income from joint ventures or partnerships				0	
	Revenue Repayable	-	294,850		294,850	
	Provision for Transition Costs	-	846,579		846,579	
	Asset Retirement Reserve	-	39,000		39,000	
62	Terminal loss from Schedule 8	-	11,000		11,000	
	Ontario capital tax adjustments to current or prior year		131,970		131,970	
65		-	.0.,0.0		0	
66	Changes in Regulatory Asset balances		4,314,052		4,314,052	
67		-			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	=	5,721,381	0		
74 75						-
75						

	٨	В	С	D	E	F
1	A PILs TAXES - EB-2008-381	В	C	D	E	Г
	Corporate Tax Rates					Version 2009.1
	Exemptions, Deductions, or Thresholds					
	Utility Name: Chatham-Kent Hydro Inc.					
5	Reporting period: 2005					
6	. 5.					
7						Table 1
8	Rates Used in 2005 RAM PILs Applications for 2005					
9	Income Range		0		400,001	
	RAM 2002		to		to	>1128000
11		Year	400,000		1,128,000	
	Income Tax Rate					
	Proxy Tax Year	2005				
14	Federal (Includes surtax)		13.12%		17.75%	22.12%
15	and Ontario blended		5.50%		9.75%	14.00%
16	Blended rate		18.62%		27.50%	36.12%
17						
	Capital Tax Rate		0.300%			
	LCT rate		0.175%			
	Surtax		1.12%			
	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000			
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000			
	**Exemption amounts must agree with the Board-	approved 200	5 RAM PIL	s filing		
				_		
23						
24						
25						Table 2
26	Expected Income Tax Rates for 2005 and Capital Tax Exemp	tions for 2005				
	Income Range		0	250,001	400,001	
	Expected Rates		to	to	to	>1,128,000
29		Year	250,000	400,000	1,128,000	
30	Income Tax Rate					
31	Current year	2005				
31 32	Current year Federal (Includes surtax)	2005	13.12%	22.12%	22.12%	22.12%
31 32 33	Current year Federal (Includes surtax) Ontario	2005	5.50%	5.50%	9.75%	14.00%
31 32 33 34	Current year Federal (Includes surtax)	2005				
31 32 33 34 35	Current year Federal (Includes surtax) Ontario Blended rate	2005	5.50% 18.62%	5.50%	9.75%	14.00%
31 32 33 34 35 36	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate	2005	5.50% 18.62% 0.300%	5.50%	9.75%	14.00%
31 32 33 34 35 36 37	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate	2005	5.50% 18.62% 0.300% 0.225%	5.50%	9.75%	14.00%
31 32 33 34 35 36 37 38	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax	2005	5.50% 18.62% 0.300% 0.225% 1.12%	5.50%	9.75%	14.00%
31 32 33 34 35 36 37 38	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate	2005 MAX \$7.5MM	5.50% 18.62% 0.300% 0.225%	5.50%	9.75%	14.00%
31 32 33 34 35 36 37 38 39	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000	5.50% 27.62%	9.75% 31.87%	14.00% 36.12%
31 32 33 34 35 36 37 38 39	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000	5.50% 27.62%	9.75% 31.87%	14.00% 36.12%
31 32 33 34 35 36 37 38 39 40	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000	5.50% 27.62%	9.75% 31.87%	14.00% 36.12%
31 32 33 34 35 36 37 38 39 40 41	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000	5.50% 27.62%	9.75% 31.87%	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000	5.50% 27.62%	9.75% 31.87%	14.00% 36.12%
31 32 33 34 35 36 37 38 39 40 41 42 43 44	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2005 Tax Returns	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding	9.75% 31.87% regulated	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding	9.75% 31.87% regulated	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2005 Tax Returns	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding	9.75% 31.87% regulated	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2005 Tax Returns Income Range	MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding	9.75% 31.87% regulated	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the Input Information from Utility's Actual 2005 Tax Returns Income Range Income Tax Rate	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding	9.75% 31.87% regulated	14.00% 36.12% activities.
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re	5.50% 27.62% garding 250,001 to 400,000	9.75% 31.87% regulated 400,001 to 1,128,000	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax)	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000	5.50% 27.62% garding 250,001 to 400,000	9.75% 31.87% regulated 400,001 to 1,128,000	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax)	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000	5.50% 27.62% garding 250,001 to 400,000	9.75% 31.87% regulated 400,001 to 1,128,000	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62%  0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62%	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300%	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200%	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	MAX \$7.5MM MAX \$50MM Board's inst	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 0	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50%	9.75% 31.87% regulated 400,001 to 1,128,000 22.12% 9.75%	14.00% 36.12% activities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	MAX \$7.5MM MAX \$50MM Board's inst  Year  2005  MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 0 26,000,000	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50% 27.62%	9.75% 31.87%  regulated  400,001 to 1,128,000  22.12% 9.75% 31.87%	14.00% 36.12% activities. Table 3 >1,128,000 22.12% 14.00% 36.12%
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ****Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Include copies of the actual tax return allocation	MAX \$7.5MM MAX \$50MM Board's inst  Year  2005  MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 0 26,000,000	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50% 27.62%	9.75% 31.87%  regulated  400,001 to 1,128,000  22.12% 9.75% 31.87%	14.00% 36.12% activities. Table 3 >1,128,000 22.12% 14.00% 36.12%
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ***Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	MAX \$7.5MM MAX \$50MM Board's inst  Year  2005  MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 0 26,000,000	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50% 27.62%	9.75% 31.87%  regulated  400,001 to 1,128,000  22.12% 9.75% 31.87%	14.00% 36.12% activities. Table 3 >1,128,000 22.12% 14.00% 36.12%
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58	Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2002 Federal Large Corporations Tax Exemption *** 2002 ****Allocation of exemptions must comply with the  Input Information from Utility's Actual 2005 Tax Returns Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Include copies of the actual tax return allocation	MAX \$7.5MM MAX \$50MM Board's inst  Year  2005  MAX \$7.5MM MAX \$50MM	5.50% 18.62% 0.300% 0.225% 1.12% 7,500,000 50,000,000 ructions re  0 to 250,000  13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 0 26,000,000	5.50% 27.62% 27.62% garding 250,001 to 400,000 22.12% 5.50% 27.62%	9.75% 31.87%  regulated  400,001 to 1,128,000  22.12% 9.75% 31.87%	14.00% 36.12% activities. Table 3 >1,128,000 22.12% 14.00% 36.12%

	A B	С	D	E	F G	Н	Į.	J K	L	М	N O
	PILs TAXES - EB-2008-381 Analysis of PILs Tax Account 1562:										
3	Utility Name: Chatham-Kent Hydro Inc.										
5	Reporting period: 2005 Sign Convention: + for increase; - for decrease 0										
6											
7											
8	Year start: Year end:	10/1/20 12/31/20		1/1/2002 12/31/2002	1/1/2 12/31/2		1/1/2004 12/31/2004		1/2005 1/2005	1/1/2006 4/30/2006	Total
10		12/01/20			12/01/2			12/0			Total
	Opening balance: = Board-approved PILs tax proxy from Decisions (1) +/-			0		0	0		0	326	0
14	True-up Variance Adjustment Q4, 2001 (2) +/-										0
	True-up Variance Adjustment (3) +/-								3,883		3,883
	Deferral Account Variance Adjustment Q4, 2001 (4) Deferral Account Variance Adjustment (5) +/-								-3,557		-3,557
22 23	Adjustments to reported prior years' variances (6) +/-										0
	Carrying charges (7) +/- PILs billed to (collected from) customers (8) -		0								0
26											
27	Ending balance: # 1562		0	0		0	0		326	326	326
28 29 30											
30											
32	Uncollected PILs										
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 of Professional Procedures Handbook					3.					
34 35				unities and i AQ A	pili 2003.						
36 37 38	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy an										
38	<ol> <li>(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALO Please insert the Q4, 2001 proxy in column C even though it was approve</li> </ol>			and 2002.							
40	If the Board gave more than one decision in the year, calculate a weighted	average proxy.									
41	(ii) If the Board approved different amounts, input the Board-approved amounts										
43	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1,				ı.						
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 200			tax proxy from Ap	ril 1 to December	r 31, 200	95.				
45 46 47	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1										
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input 1				The Q4, 2001 pr	oxy has t	to be				
48 49 50			-								
50 51 52	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and Januar			LC spreadsheet.							
52				10	The O4 2004		4- 6-				
54	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input 1					ioxy nas	to be				
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV	a cell I181 of t	he TAXCA	I C spreadsheet							
54 55 56 57 58	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January			5p. 0000000.							
59 60	(6) The correcting entry should be shown in the year the entry was made. The true	-up of the carry	ing charge	s will have to be i	eviewed.						
61	(7) Carrying charges are calculated on a simple interest basis.										
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were b	ased on a fived	I charge or	nd a volumetric ch	arne recovery by	/ clace T	The PII s rate				
64	components for Q4, 2001and 2002 were calculated in the 2002 approved RA	M on sheet 6 ar	nd sheet 8	. In April 2004, th							
65 66	2002 PILs tax proxy recovered by the volumetric rate by class as calculated. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.	on sheet 7 of the	e 2004 RA	M.							
65 66 67 68											
68 69	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RA)					004:					
69 70	plus, (b) customer counts by class in the same period multiplied by the PILs										
72 73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetr										
75	for the period April 1 to December 31, 2004, and add this total to the results In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetr										
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetri				ANIVI, STIEEL 4,						
75 76 77 78 79	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	nt # 1590. Fina	l reconcilia	ation of PILs proxy	taxes						
80 81	will have to include amounts from 1562 and from 1590.										
81											

2005\_1562\_Disposition\_PILs\_Model\_20120720