

July 27, 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: Strathroy, Mt Brydges & Parkhill
Board File No.: EB-2012-0098

Dear Ms. Walli,

Please find enclosed the responses of Entegrus to Board Staff interrogatories relating to the above-noted 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]

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cc: Dan Charron, President
Chris Cowell, Chief Financial and Regulatory Officer
David Ferguson, Director of Regulatory and Administration

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ENTEGRUS™

Disposition of Account 1562 – Deferred PILs

Interrogatory Responses
Rate Zone: Strathroy, Mt Brydges & Parkhill
Board File No.: EB-2012-0098
Date Filed: July 27, 2012

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Board Staff – Question 1

Reference: PILs Revenue Recovery Worksheet, Unmetered Scattered Load (USL)

Unmetered scattered load is not listed as one of the components of the billing and recovery in the Excel spreadsheet. In the Board's decisions for 2002, 2004 and 2005, USL class fixed and volumetric rates were approved.

- a) Please explain why MPDC has not included USL in the recovery calculations.
 - b) If a change needs to be made to the PILs recovery worksheets, please update the recovery calculations in active Excel format.
-

Response

For the period from March 1, 2002 to February 29, 2004, MPDC's USL rates were displayed separately on the approved tariff sheets, but listed the same distribution rates as the GS<50 kW rate class. Thereafter, the approved USL rate class continued to be listed separately but with a notation on the tariff sheet that USL was "Billed at General Service < 50 kW rates" (where the rates would normally be listed).

- a) Since consistent rates were charged by MPDC for both GS<50 kW and USL throughout the Application period, the USL billing determinants have not been separated in the Application, but rather have been included in the GS<50 kW rate class calculations.
- b) Not applicable, since the rates charged for USL and GS<50 kW rate classes were identical throughout the Application period.

Board Staff - Question 2

Reference: PILs Recoveries from Customers

In the application evidence filed in 2002, 2004 and 2005, MPDC provided statistics of demand data. In 2006 EDR, MPDC 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 MPDC's evidence from 2002 to 2006.

- a) Please explain why the PILs recoveries are so much lower than one would expect in the 2002 partial year.

PILs Proxies vs. Recoveries	2002 partial	2003	2004	2005	2006 partial
PILs Proxies in Rates	220,022	262,860	230,732	201,381	65,056
PILs Recovery Calculations	-213,631	-282,976	-239,430	-219,963	-66,408
Difference	433,653	545,836	470,162	421,344	131,464

- b) 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. Please explain why the volumes shown as billed in 2002 are much lower than pro-rated actual volumes for the entire 2002 year.

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	36,834,429	47,240,596	56,688,715
General Service < 50 KW	kWh's	14,977,047	32,291,802	38,750,162
General Service > 50 KW	kW's	154,038	175,451	210,541
Large Use	kW's	50,725	63,178	75,813
Sentinel Lights	kWs	79	98	118
Streetlight - TOU	kW's	2,826	3,532	4,238

- c) 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.

Response

- a) Upon further review, Entegrus notes the billing determinants originally submitted for 2002 for the purposes of this Application inadvertently represented amounts billed for the period May 2002 to December 2002, rather than March 2002 to December 2002 period as intended.

Entegrus has updated the billing determinants, and therefore the PILs revenue collected, such that it is representative of March 2002 to December 2002. Please see Attachment A for a copy of the updated revenue calculation.

Entegrus has updated the table presented by Board Staff and submits that the 2002 PILs recoveries are now appropriately consistent with the 2003 to 2006 results.

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill

Table 1: Annual PILs Proxies vs. Revenue Recoveries

Description	Partial 2002	2003	2004	2005	Partial 2006	Total
Proxies Included in Rates	\$220,022	\$262,860	\$230,732	\$201,381	\$65,056	\$980,050
Actual Revenue Recoveries	-\$230,266	-\$282,976	-\$239,430	-\$219,963	-\$66,408	-\$1,039,044
Variance	-\$10,244	-\$20,116	-\$8,698	-\$18,582	-\$1,353	-\$58,994

- b) The billing determinant statistical comparisons provided by Board Staff in this interrogatory are based on the billing statistics included in MPDC's 2006 EDR Application EB-2005-0351. Entegrus has determined that the 2006 EDR Application billing determinants used by Board Staff to produce the statistical comparisons in this interrogatory were then inclusive of an inadvertent reclassification by MPDC impacting 2002 data. Specifically, 17,063,648 kWh's were reflected in the GS<50 kW rate class instead of the GS>50 kW rate class. The following table shows the 2006 EDR statistics adjusted to correct 2002 for the issue, and demonstrates the consistency of the adjusted number with 2003 and later years.

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill**Table 2: Comparison of 2006 EDR after Adjustment**

Rate Class	Original 2002 kWh (as reported in 2006 EDR)	Revised 2002 kWh	2003 kWh (as reported in the 2006 EDR)	2004 kWh (as reported in the 2006 EDR)
Residential	56,688,715	56,688,715	59,641,045	59,150,220
GS<50	38,750,162	21,686,514	20,182,237	22,415,244
GS>50	62,203,143	79,266,791	88,125,786	87,065,426
Large Use	41,131,756	41,131,756	42,627,116	42,345,896
Sentinel Lights	47,446	47,446	46,530	46,319
Street Light	1,472,438	1,472,438	1,456,621	1,548,580

Entegrus notes this reclassification relating to 2002 presented in the 2006 EDR application has no impact on the calculations in the current Application. Specifically, aside from the adjustment noted in 2(a) above, the appropriate billing determinants were utilized for the purposes of the calculation of the 2002 PILs revenue recoveries.

The following table reflects the revised 2002 billing determinants in comparison to the adjusted 2006 EDR statistics.

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill**Table 3: Comparison of 2002 Billing Determinants**

Rate Class	Billing Determinant	Per Original Application	Revised Application	Per 2006 EDR Application (Adjusted)	Per 2006 EDR Application (Adjusted)
		Actual 8 Months May - Dec	Actual 10 Months Mar - Dec	Actual 12 Months Jan - Dec	Prorated 10 months
(A)	(B)	(C)	(D)	(E)	(F)
Residential	kWh	36,834,429	44,387,378	56,688,715	47,240,596
GS<50	kWh	14,977,047	18,402,474	21,686,514	18,072,095
GS>50	kW	154,035	175,168	210,541	175,451
Large Use	kW	50,725	63,246	75,813	63,178
Sentinel Lights	kW	79	99	118	98
Street Light	kW	2,826	3,532	4,238	3,532

Entegrus submits that a comparison of columns (D) and (F) above show pro-rated numbers that appropriately approximate the billing determinant statistics used in the revised Application. The residual variances are consistent with the use of straight-line pro-ratio versus the seasonal variations actually experienced by electrical distributors on a month-to-month basis.

- c) The following Attachments have been updated to reflect the addition of March 2002 and April 2002 billing determinants.
- Attachment A: PILs Revenue Recovery Calculation
 - Attachment B: Account 1562 Detailed Continuity Schedule

Board Staff - Question 3

Reference: 2001 through 2005 SIMPIL Models Interest Expense

When the actual interest expense, as reflected in the financial statements and tax returns, exceeds the maximum deemed interest amount approved by the Board, the excess amount is subject to a claw-back penalty and is shown in sheet TAXCALC as an extra deduction in the true-up calculations.

MPDC provided a table for the years 2001 to 2005 that shows all of the components of MPDC's interest expense and the amount associated with each type of interest. The table balances back to all of the interest expense listed in the audited financial statements. MPDC stated in its

Manager's summary:

*"Accordingly, the models submitted herein by MPDC include a line item (for instance, see "TAXCALC" line 202 of MPDC's 2005 model) to remove the interest on customer security deposits and other interest from the balance used as a basis for comparison in the true-up calculation."*¹

Board staff notes that the interest expense used in the SIMPIL interest claw-back calculation included interest on customer security deposits and other interest and was not removed as stated in the Manager's summary.

- a) Please file the revised 2001 through 2005 SIMPIL models that remove interest on customer security deposits and other interest from total interest expense for the excess claw-back calculations.
- b) Please provide a table for the years 2001 to 2005 that shows all of the components of MPDC's interest expense and the amount associated with each type of interest.
- c) Did MPDC have interest expense related to other than debt that is disclosed as interest expense in its financial statements?
- d) Did MPDC net interest income against interest expense in deriving the amount it shows as interest expense? If yes, please provide details to what the interest income relates.
- e) Did MPDC include interest expense on customer security deposits in interest expense?
- f) Did MPDC include interest income on customer security deposits in interest expense?
- g) Did MPDC include interest expense on IESO prudentials in interest expense? Please provide the dollar amount of IESO or other prudential expense by year whether disclosed as interest, admin, or other type of expense category.
- h) Did MPDC include interest carrying charges on regulatory assets or liabilities in interest expense?

¹ Entegrus Powerlines Inc. Manager's Summary, EB-2012-0098, March 30, 2012, Page 7

- i) Did MPDC include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?
 - j) Did MPDC deduct capitalized interest in deriving the interest expense disclosed in its financial statements?
-

Response

- a) Entegrus confirms that it inadvertently did not reduce interest expense in the 2001 - 2005 TAXCALC worksheets to remove customer security deposit interest and other interest. Entegrus notes that this oversight does not result in any dollar impact to the amount owing to ratepayers, since Entegrus was already below the deemed interest threshold for each and all of the Application periods prior to this reduction.

Please see the following attachments for copies of the updated SIMPIL models, inclusive of the removal of customer security deposit interest and other interest:

- 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: January to June 2005 Revised SIMPIL Model
- Attachment H: July to December 2005 Revised SIMPIL Model
- Attachment I: Proposed Rate Rider Calculation

These Revised SIMPIL models have also been filed in live Excel format.

- b) Please see the table below. This table was originally submitted as Attachment 31 in the Application. Column (D) has been added to the table to demonstrate reconciliation to the revised models referenced in 3(a) above.

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill

Table 4: Interest Reconciliation

Year Ending	Interest on Long-Term Debt	Interest on Short-Term Debt	Interest Input into TAXCALC Model	Interest on Customer Deposits	Other Interest	Total	Per F/S	Difference
(A)	(B)	(C)	(D) = (B)+(C)	(E)	(F)	(G)=(D)+(E)+(F)	(H)	(I)=(G)-(H)
2001	\$310,738	\$49,698	\$360,436	\$5,385	\$2,272	\$368,093	\$368,093	\$0
2002	\$262,741	\$72,411	\$335,152	\$2,224	\$4,944	\$342,321	\$342,321	\$0
2003	\$235,926	\$27,491	\$263,417	\$4,693	\$40,500	\$308,610	\$308,610	\$0
2004	\$233,022	\$23,967	\$256,990	\$5,487	\$2,193	\$264,670	\$264,670	\$0
June 2005	\$86,322	\$17,309	\$103,630	\$3,634	\$11,089	\$118,354	\$118,354	\$0
July 2005	\$138,146	\$19,251	\$157,397	\$4,707	\$361	\$162,465	\$162,465	\$0

- c) Yes, please see the table above for the components of interest expense.
- d) Entegrus confirms that there was no netting of interest income against interest expense.
- e) Entegrus confirms that interest expense on customer deposits was included in interest expense. Please see the table above.
- f) Entegrus confirms that no interest income on customer security deposits was included in interest expense.
- g) Entegrus confirms that no interest expense on IESO prudentials was included in interest expense.
- h) Entegrus MPDC confirms that no interest carrying charges on regulatory assets was included in interest expense.
- i) Entegrus confirms that no amortization of debt issue costs, debt discounts or debt premiums was included in interest expense.
- j) Entegrus confirms that no capitalized interest was deducted in deriving the interest expense disclosed in its financial statements.

Board Staff - Question 4

Reference: Loss on Disposals of Fixed Assets

MPDC 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. MPDC 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 the disposal of fixed assets that MPDC input on TAXREC2 sheet should true up to ratepayers in the January 1 to June 30, 2005 SIMPIL model.
 - b) If MPDC agrees that it should not true up to ratepayers, please move the fixed asset transactions to the SIMPIL model TAXREC3 sheet, resubmit the 2005 SIMPIL model and update the PILs continuity schedule and final balance for disposition.
-

Response

- a) – b) Entegrus has further reviewed the fixed asset disposal transaction referenced above for the period from January 1, 2005 to June 30, 2005, and agrees that these transactions should not true up to ratepayers. Accordingly, MPDC has moved this transaction to the SIMPIL model TAXREC3 sheet and has updated the PILs continuity schedule and final balance for disposition.

Please see Attachment G for a copy of the updated SIMPIL Models. The Revised SIMPIL model has also been filed in live Excel format.

Board Staff - Question 5

Reference: PILs Proxy Amounts

The 2002, 2003 and 2004 SIMPIL models do not agree line-by-line with the 2002 application PILs proxy model details approved by the Board in decision RP-2002-0094/EB-2002-0103. The 2002 application PILs proxy model contains a regulatory adjustment in cell C24 of \$7,767 that should reverse in the SIMPIL model. The purpose of this adjustment is to reverse the tax impact of the regulatory assets and liabilities contained in the proxy calculations when compared to the actual tax values in 2002 to 2004.

- a) The Board decided that the impact of regulatory assets and liabilities must be excluded in the determination of the variances that are entered in account 1562. Does MPDC agree that regulatory asset impacts from the proxy calculations should be reversed by entering the amount from the 2002 application PILs proxy model of \$7,767 in cell C24, maintaining the SIMPIL formulae as found in the evidence submitted in the Combined Proceeding, and allowing the reversal to be done by the formulae in TAXCALC cell range E100 to E133?
- b) If yes, please file the 2002, 2003 and 2004 SIMPIL models that match line-by-line with the 2002 application PILs proxy model, and that reverse the tax impact on the 2002 PILs proxy of regulatory assets. Please update the PILs continuity schedule and final balance for disposition in active Excel format.
- c) If MPDC does not agree that the formulae in the SIMPIL models, and the original PILs proxy data as filed in the 2002 application, should be used in the recalculation of the account 1562 PILs balance for disposition, please provide reasons and regulatory references in support of the stated positions.

Response

- a) Entegrus has reviewed the approved 2002 PILs proxy model provided by Board Staff and agrees with the \$7,767 adjustment cited above. The appropriate updates have been made to the Revised SIMPIL Models and included with this submission.
- b) Please see following Attachments for copies of the updated SIMPIL models, inclusive of 2002 PILs proxy adjustment:
 - Attachment B: Account 1562 Detailed Continuity Schedule
 - Attachment D: 2002 Revised SIMPIL Model
 - Attachment E: 2003 Revised SIMPIL Model
 - Attachment F: 2004 Revised SIMPIL Model
 - Attachment I: Proposed Rate Rider Calculation
- c) Not applicable.

Board Staff - Question 6

Reference: 2001 and 2003 Tax Returns, Federal Tax Returns – Schedule 1

Schedule 1 from the T2 Federal Tax Return was not filed as PILs evidence for 2001 and 2003. Please provide Schedule 1 from the T2 Federal Tax Return for 2001 and 2003.

Response

The shares of the former MPDC were acquired by Chatham-Kent Energy Inc. (now Entegrus Inc.) on June 30, 2005. The taxation records provided by the utility's previous ownership did not include Schedule 1's for 2001 and 2003. This omission to available records appears to be the result of previous ownership using the Federal Short Form tax return for 2001 and 2003.

However, the keypunch summaries from the 2001 and 2003 Federal tax returns filed in the Application show the inputs that would have comprised the Schedule 1's for those years. Entegrus has therefore re-created the Schedule 1's for 2001 and 2003 utilizing the keypunch summary information from the tax returns filed in the application. Please see the table below.

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill

Table 5: Re-creation of Federal Tax Return Schedule 1

Utilizing Keypunch (GIFI) Summary Information per T2 Short Forms

Description	Reference	2001		2003	
Net income (loss) after taxes per financial statements	Per F/S - Note 1		-\$360,704		-\$269,196
Amortization of tangible assets	Line 104 - Note 2	\$475,239		\$474,541	
Total Additions	Line 500 - Note 2	\$475,239	\$475,239	\$474,541	\$474,541
149(1)(d.6) adjustment	Line 390 - Note 2	\$114,535			
Capital cost allowance - Schedule 8	Line 403 - Note 2			\$205,345	
Subtotal of other deductions	Lin 499 - Note 2	\$114,535	\$114,535	\$205,345	\$205,345
Total Deductions	Line 510 - Note 2	\$114,535	\$114,535	\$205,345	\$205,345
Net income (loss) for income tax purposes			\$0		\$0

Notes:

(1) Please refer to application Attachment 9 for 2001 financial statements, and Attachment 15 for 2003 financial statements.

(2) Please refer to application Attachment 10 for 2001 Federal T2 keypunch summary with corresponding tax return line numbers.

Please refer to application Attachment 16 for 2003 Federal T2 keypunch summary and Schedule 8 with corresponding tax return line numbers.

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Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

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Attachment A

Calculation of PILs Revenue Recoveries

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Acct 1562 Deferred PILs, Interrogatory Responses
Attachment A: PILs Revenue Recovery Calculation

March 1, 2002 to December 31, 2002									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$1.73	5,823	\$100,524	\$0.0015	44,387,378	\$64,362	\$164,885		
GS<50	\$2.25	698	\$15,672	\$0.0005	18,402,474	\$8,281	\$23,953		
GS>50 to 4,999 kW	\$5.50	90	\$4,952	\$0.1645	175,168	\$28,810	\$33,762		
Large Use	\$245.31	1	\$2,453	\$0.0351	63,246	\$2,222	\$4,676		
Street Lighting	\$0.09	1,958	\$1,803	\$0.3053	3,532	\$1,078	\$2,881		
Sentinel Lighting	\$0.12	46	\$54	\$0.5593	99	\$55	\$109		
		8,616	\$125,458		63,031,898	\$104,809	\$230,266	\$23,027	\$230,266

January 1, 2003 to December 31, 2003									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$1.73	5,879	\$121,788	\$0.0015	56,686,665	\$82,196	\$203,984		
GS<50	\$2.25	683	\$18,402	\$0.0005	19,182,491	\$8,632	\$27,034		
GS>50 to 4,999 kW	\$5.50	90	\$5,942	\$0.1645	223,433	\$36,748	\$42,690		
Large Use	\$245.31	1	\$2,944	\$0.0351	77,840	\$2,735	\$5,679		
Street Lighting	\$0.09	1,958	\$2,164	\$0.3053	4,238	\$1,294	\$3,458		
Sentinel Lighting	\$0.12	46	\$65	\$0.5593	118	\$66	\$131		
		8,657	\$151,305		76,174,785	\$131,671	\$282,976	\$23,581	\$282,976

January 1, 2004 to March 31, 2004									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$1.73	5,985	\$30,996	\$0.0015	15,942,241	\$23,116	\$54,112		
GS<50	\$2.25	688	\$4,634	\$0.0005	6,460,490	\$2,907	\$7,541		
GS>50 to 4,999 kW	\$5.50	90	\$1,486	\$0.1645	60,407	\$9,935	\$11,421		
Large Use	\$245.31	1	\$736	\$0.0351	19,595	\$689	\$1,425		
Street Lighting	\$0.09	1,958	\$541	\$0.3053	1,060	\$324	\$865		
Sentinel Lighting	\$0.12	46	\$16	\$0.5593	30	\$17	\$33		
		8,768	\$38,409		22,483,823	\$36,988	\$75,396	\$25,132	

April 1, 2004 to December 31, 2004									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$0.00	-	\$0	\$0.0028	40,315,555	\$113,690	\$113,690		
GS<50	\$0.00	-	\$0	\$0.0010	14,604,180	\$14,604	\$14,604		
GS>50 to 4,999 kW	\$0.00	-	\$0	\$0.1878	161,381	\$30,312	\$30,312		
Large Use	\$0.00	-	\$0	\$0.0580	57,366	\$3,325	\$3,325		
Street Lighting	\$0.00	-	\$0	\$0.6398	3,203	\$2,049	\$2,049		
Sentinel Lighting	\$0.00	-	\$0	\$0.5987	88	\$53	\$53		
		-	\$0		55,141,773	\$164,033	\$164,033	\$18,226	\$239,430

January 1, 2005 to March 31, 2005									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$0.00	-	\$0	\$0.0028	15,553,758	\$43,862	\$43,862		
GS<50	\$0.00	-	\$0	\$0.0010	5,561,404	\$5,561	\$5,561		
GS>50 to 4,999 kW	\$0.00	-	\$0	\$0.1878	49,696	\$9,334	\$9,334		
Large Use	\$0.00	-	\$0	\$0.0580	19,205	\$1,113	\$1,113		
Street Lighting	\$0.00	-	\$0	\$0.6398	1,079	\$690	\$690		
Sentinel Lighting	\$0.00	-	\$0	\$0.5987	29	\$17	\$17		
		-	\$0		21,185,170	\$60,578	\$60,578	\$20,193	

April 1, 2005 to December 31, 2005									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$0.00	-	\$0	\$0.0024	45,727,088	\$109,745	\$109,745		
GS<50	\$0.00	-	\$0	\$0.0011	17,837,504	\$19,621	\$19,621		
GS>50 to 4,999 kW	\$0.00	-	\$0	\$0.1455	173,377	\$25,226	\$25,226		
Large Use	\$0.00	-	\$0	\$0.0514	56,677	\$2,913	\$2,913		
Street Lighting	\$0.00	-	\$0	\$0.5675	3,230	\$1,833	\$1,833		
Sentinel Lighting	\$0.00	-	\$0	\$0.5311	87	\$46	\$46		
		-	\$0		63,797,963	\$159,385	\$159,385	\$17,709	\$219,963

January 1, 2006 to April 30, 2006									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential	\$0.00	-	\$0	\$0.0024	18,988,624	\$45,573	\$45,573		
GS<50	\$0.00	-	\$0	\$0.0011	7,265,989	\$7,993	\$7,993		
GS>50 to 4,999 kW	\$0.00	-	\$0	\$0.1455	73,605	\$10,709	\$10,709		
Large Use	\$0.00	-	\$0	\$0.0514	25,267	\$1,299	\$1,299		
Street Lighting	\$0.00	-	\$0	\$0.5675	1,435	\$814	\$814		
Sentinel Lighting	\$0.00	-	\$0	\$0.5311	39	\$21	\$21		
		-	\$0		26,354,958	\$66,408	\$66,408	\$16,602	\$66,408

GRAND TOTAL									
Rate Class	Rate	Cust/Conn	Recovered	Rate	kWh/kW	Recovered	Grand Total	Mthly Revenue	Annual Total
Residential			\$253,308			\$482,543	\$735,851		
GS<50			\$38,708			\$67,600	\$106,308		
GS>50 to 4,999 kW			\$12,380			\$151,075	\$163,455		
Large Use			\$6,133			\$14,296	\$20,429		
Street Lighting			\$4,508			\$8,083	\$12,591		
Sentinel Lighting			\$135			\$275	\$410		
		-	\$315,172		-	\$723,872	\$1,039,044		\$1,039,044

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment B

Account 1562 Detailed Continuity Schedule

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2001												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,279	\$28,559	\$0
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,279	\$14,279	\$14,279	\$42,838
True-Up Variance Adjustment						\$0							\$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	\$14,279	\$28,559	\$42,838	\$42,838
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	\$85	\$0
Carrying Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$176	\$261
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$261	\$261

Description	2002												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$42,838	\$61,173	\$79,508	\$74,817	\$70,125	\$65,434	\$47,045	\$42,354	\$37,662	\$32,971	\$28,280	\$23,588	\$42,838
Board Approved PILs Proxy Amts	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$220,022
True-Up Variance Adjustment						-\$13,697							-\$13,697
Rate Recoveries	\$0	\$0	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$23,027	-\$230,266
Closing Balance	\$61,173	\$79,508	\$74,817	\$70,125	\$65,434	\$47,045	\$42,354	\$37,662	\$32,971	\$28,280	\$23,588	\$18,897	\$18,897
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	\$261	\$525	\$865	\$1,355	\$1,800	\$2,232	\$2,622	\$2,912	\$3,173	\$3,397	\$3,600	\$3,768	\$261
Carrying Charges	\$264	\$340	\$490	\$446	\$432	\$390	\$290	\$261	\$224	\$203	\$169	\$145	\$3,653
Closing Balance	\$525	\$865	\$1,355	\$1,800	\$2,232	\$2,622	\$2,912	\$3,173	\$3,397	\$3,600	\$3,768	\$3,914	\$3,914

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2003												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	\$18,897	\$17,220	\$15,544	\$13,868	\$12,191	\$10,515	-\$65,081	-\$66,757	-\$68,434	-\$70,110	-\$71,786	-\$73,463	\$18,897
Board Approved PILs Proxy Amts	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$262,860
True-Up Variance Adjustment						-\$73,920							-\$73,920
Rate Recoveries	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$282,976
Closing Balance	\$17,220	\$15,544	\$13,868	\$12,191	\$10,515	-\$65,081	-\$66,757	-\$68,434	-\$70,110	-\$71,786	-\$73,463	-\$75,139	-\$75,139
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	\$3,914	\$4,030	\$4,126	\$4,222	\$4,304	\$4,379	\$4,442	\$4,041	\$3,630	\$3,222	\$2,791	\$2,363	\$3,914
Carrying Charges	\$116	\$96	\$96	\$83	\$75	\$63	-\$401	-\$411	-\$408	-\$432	-\$428	-\$452	-\$2,003
Closing Balance	\$4,030	\$4,126	\$4,222	\$4,304	\$4,379	\$4,442	\$4,041	\$3,630	\$3,222	\$2,791	\$2,363	\$1,911	\$1,911

Description	2004												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$75,139	-\$81,043	-\$86,948	-\$92,852	-\$91,851	-\$90,849	-\$165,661	-\$164,659	-\$163,657	-\$162,656	-\$161,654	-\$160,652	-\$75,139
Board Approved PILs Proxy Amts	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$230,732
True-Up Variance Adjustment						-\$75,813							-\$75,813
Rate Recoveries	-\$25,132	-\$25,132	-\$25,132	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$239,430
Closing Balance	-\$81,043	-\$86,948	-\$92,852	-\$91,851	-\$90,849	-\$165,661	-\$164,659	-\$163,657	-\$162,656	-\$161,654	-\$160,652	-\$159,651	-\$159,651
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	\$1,911	\$1,448	\$981	\$446	-\$108	-\$673	-\$1,215	-\$2,235	-\$3,249	-\$4,224	-\$5,225	-\$6,189	\$1,911
Carrying Charges	-\$463	-\$467	-\$535	-\$553	-\$566	-\$541	-\$1,020	-\$1,014	-\$975	-\$1,002	-\$963	-\$989	-\$9,088
Closing Balance	\$1,448	\$981	\$446	-\$108	-\$673	-\$1,215	-\$2,235	-\$3,249	-\$4,224	-\$5,225	-\$6,189	-\$7,178	-\$7,178

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2005												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$159,651	-\$163,061	-\$166,472	-\$169,883	-\$170,811	-\$171,739	-\$248,479	-\$249,407	-\$250,334	-\$251,262	-\$252,190	-\$253,118	-\$159,651
Board Approved PILs Proxy Amts	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$201,381
True-Up Variance Adjustment						-\$75,812							-\$75,812
Rate Recoveries	-\$20,193	-\$20,193	-\$20,193	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$219,963
Closing Balance	-\$163,061	-\$166,472	-\$169,883	-\$170,811	-\$171,739	-\$248,479	-\$249,407	-\$250,334	-\$251,262	-\$252,190	-\$253,118	-\$254,045	-\$254,045
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	-\$7,178	-\$8,161	-\$9,068	-\$10,093	-\$11,105	-\$12,157	-\$13,180	-\$14,710	-\$16,246	-\$17,738	-\$19,285	-\$20,788	-\$7,178
Carrying Charges	-\$983	-\$907	-\$1,025	-\$1,012	-\$1,052	-\$1,023	-\$1,530	-\$1,536	-\$1,492	-\$1,547	-\$1,503	-\$1,559	-\$15,168
Closing Balance	-\$8,161	-\$9,068	-\$10,093	-\$11,105	-\$12,157	-\$13,180	-\$14,710	-\$16,246	-\$17,738	-\$19,285	-\$20,788	-\$22,346	-\$22,346

Description	2006												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$254,045	-\$254,384	-\$254,722	-\$255,060	-\$255,398	-\$255,398	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$254,045
Board Approved PILs Proxy Amts	\$16,264	\$16,264	\$16,264	\$16,264	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,056
True-Up Variance Adjustment						-\$20,808							-\$20,808
Rate Recoveries	-\$16,602	-\$16,602	-\$16,602	-\$16,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$66,408
Closing Balance	-\$254,384	-\$254,722	-\$255,060	-\$255,398	-\$255,398	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$22,346	-\$23,911	-\$25,325	-\$26,894	-\$27,762	-\$28,660	-\$29,529	-\$30,606	-\$31,682	-\$32,724	-\$33,801	-\$34,843	-\$22,346
Carrying Charges	-\$1,564	-\$1,415	-\$1,568	-\$868	-\$898	-\$869	-\$1,077	-\$1,077	-\$1,042	-\$1,077	-\$1,042	-\$1,077	-\$13,574
Closing Balance	-\$23,911	-\$25,325	-\$26,894	-\$27,762	-\$28,660	-\$29,529	-\$30,606	-\$31,682	-\$32,724	-\$33,801	-\$34,843	-\$35,920	-\$35,920

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2007												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$35,920	-\$36,997	-\$37,969	-\$39,046	-\$40,088	-\$41,165	-\$42,207	-\$43,283	-\$44,360	-\$45,402	-\$46,608	-\$47,775	-\$35,920
Carrying Charges	-\$1,077	-\$973	-\$1,077	-\$1,042	-\$1,077	-\$1,042	-\$1,077	-\$1,077	-\$1,042	-\$1,206	-\$1,167	-\$1,206	-\$13,061
Closing Balance	-\$36,997	-\$37,969	-\$39,046	-\$40,088	-\$41,165	-\$42,207	-\$43,283	-\$44,360	-\$45,402	-\$46,608	-\$47,775	-\$48,981	-\$48,981

Description	2008												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	
Opening Balance	-\$48,981	-\$50,186	-\$51,314	-\$52,520	-\$53,446	-\$54,403	-\$55,330	-\$56,116	-\$56,901	-\$57,662	-\$58,448	-\$59,208	-\$48,981
Carrying Charges	-\$1,206	-\$1,128	-\$1,206	-\$926	-\$957	-\$926	-\$786	-\$786	-\$761	-\$786	-\$761	-\$786	-\$11,014
Closing Balance	-\$50,186	-\$51,314	-\$52,520	-\$53,446	-\$54,403	-\$55,330	-\$56,116	-\$56,901	-\$57,662	-\$58,448	-\$59,208	-\$59,994	-\$59,994

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2009												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$59,994	-\$60,569	-\$61,088	-\$61,663	-\$61,890	-\$62,124	-\$62,351	-\$62,480	-\$62,609	-\$62,734	-\$62,863	-\$62,988	-\$59,994
Carrying Charges	-\$575	-\$519	-\$575	-\$227	-\$235	-\$227	-\$129	-\$129	-\$125	-\$129	-\$125	-\$129	-\$3,123
Closing Balance	-\$60,569	-\$61,088	-\$61,663	-\$61,890	-\$62,124	-\$62,351	-\$62,480	-\$62,609	-\$62,734	-\$62,863	-\$62,988	-\$63,117	-\$63,117

Description	2010												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$63,117	-\$63,246	-\$63,363	-\$63,492	-\$63,617	-\$63,746	-\$63,871	-\$64,079	-\$64,288	-\$64,490	-\$64,772	-\$65,044	-\$63,117
Carrying Charges	-\$129	-\$117	-\$129	-\$125	-\$129	-\$125	-\$209	-\$209	-\$202	-\$282	-\$272	-\$282	-\$2,208
Closing Balance	-\$63,246	-\$63,363	-\$63,492	-\$63,617	-\$63,746	-\$63,871	-\$64,079	-\$64,288	-\$64,490	-\$64,772	-\$65,044	-\$65,326	-\$65,326

Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
 Acct 1562 Deferred PILs, IR Responses
 Attachment B: Detailed Continuity Schedule Account 1562 Deferred PILs

Description	2011												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$65,326	-\$65,670	-\$65,982	-\$66,327	-\$66,660	-\$67,005	-\$67,339	-\$67,684	-\$68,029	-\$68,362	-\$68,707	-\$69,041	-\$65,326
Carrying Charges	-\$345	-\$311	-\$345	-\$334	-\$345	-\$334	-\$345	-\$345	-\$334	-\$345	-\$334	-\$345	-\$4,060
Closing Balance	-\$65,670	-\$65,982	-\$66,327	-\$66,660	-\$67,005	-\$67,339	-\$67,684	-\$68,029	-\$68,362	-\$68,707	-\$69,041	-\$69,386	-\$69,386

Description	2012												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
Principal													
Opening Balance	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
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	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207	-\$276,207
Interest													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%									
Days in Month	31	29	31	30									
Opening Balance	-\$69,386	-\$69,731	-\$70,053	-\$70,398	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$69,386
Carrying Charges	-\$345	-\$323	-\$345	-\$334	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,346
Closing Balance	-\$69,731	-\$70,053	-\$70,398	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732	-\$70,732

GRAND TOTAL													-\$346,938.44
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Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment C

2001 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2001

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
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		98%	
22		LCT		0%	
23					
24	Accounting Year End		Date	31-Dec-01	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	18,430
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	287,591
48	Amount allowed in 2002				0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				306,021
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR			372,956	
63					
64	Phase-in of interest - Year 1 (2001)			129,519	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			129,519	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			129,519	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			372,956	
71					
72					

	A	B	C	D	E	F	G	H
		ITEM	Initial		M of F	M of F	Tax	
			Estimate		Filing	Filing	Returns	
					Variance	Variance		
					K-C	Explanation		
		0					Version 2009.1	
1	PILs TAXES							
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)							
5	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
6	Reporting period: 2001							
7								
8								
9	Days in reporting period:	92	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14								
15	II) CORPORATE INCOME TAXES							
16	Regulatory Net Income REGINFO E53	1	76,505	-69,116			7,389	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Adjustments:							
20	Depreciation & Amortization	2	114,288	360,951			475,239	
21	Employee Benefit Plans - Accrued, Not Paid	3		0			0	
22	Tax reserves - beginning of year	4		0			0	
23	Reserves from financial statements - end of year	4		0			0	
24	Regulatory Adjustments - increase in income	5		0			0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6		0			0	
27	Other Additions (not "Material") "TAXREC"	6		0			0	
28	"Material" Items from "TAXREC 2" worksheet	6		0			0	
29	Other Additions (not "Material") "TAXREC 2"	6		0			0	
30	Items on which true-up does not apply "TAXREC 3"			0			0	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	50,384	-25,680			24,524	
34	Employee Benefit Plans - Paid Amounts	8		0			0	
35	Items Capitalized for Regulatory Purposes	9		0			0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10		0			0	
37	Interest Expense Deemed Incurred	11	65,354	302,739			368,093	
38	Tax reserves - end of year	4		0			0	
39	Reserves from financial statements - beginning of year	4		0			0	
40	Contributions to deferred income plans	3		0			0	
41	Contributions to pension plans	3		0			0	
42	Interest capitalized for accounting but deducted for tax	11		0			0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12		0			0	
45	Other Deductions (not "Material") "TAXREC"	12		0			0	
46	Material Items from "TAXREC 2" worksheet	12		0			0	
47	Other Deductions (not "Material") "TAXREC 2"	12		0			0	
48	Items on which true-up does not apply "TAXREC 3"			114,535			114,535	
49								
50	TAXABLE INCOME/ (LOSS)		75,055	(99,579)	Before loss C/F		(24,524)	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%	-15.0000%			19.12%	
54								
55	REGULATORY INCOME TAX		25,609	-25,609	Actual		0	
56								
57								
58	Miscellaneous Tax Credits	14		0	Actual		0	
59								
60	Total Regulatory Income Tax		25,609	-25,609	Actual		0	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429	-1,263,263			9,025,166	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	-81,282			4,918,718	
68	Taxable Capital		5,288,429	-1,344,545			4,106,448	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%			0.3000%	
71								
72	Ontario Capital Tax		3,966	-861	Overpaid		3,105	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429	-10,288,429				
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	0			10,000,000	
77	Taxable Capital		288,429	-10,288,429			0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%			0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649	-649			0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	841	-841			0	
83								
84	Net LCT		0	192			0	
85								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	38,872		Actual 2001		0	
91	LCT (proxy tax is grossed-up)	23	0		Actual 2001		0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	3,966		Actual 2001		3,105	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	42,838		Actual 2002		3,105	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3		0				
103	Tax reserves deducted in prior year	4		0				
104	Reserves from financial statements-end of year	4		0				
105	Regulatory Adjustments	5		0				
106	Other additions "Material" Items TAXREC	6		0				
107	Other additions "Material" Items TAXREC 2	6		0				
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8		0				
110	Items Capitalized for Regulatory Purposes	9		0				
111	Regulatory Adjustments	10		0				
112	Interest Adjustment for tax purposes (See Below - cell I204)	11		0				
113	Tax reserves claimed in current year	4		0				
114	Reserves from F/S beginning of year	4		0				
115	Contributions to deferred income plans	3		0				
116	Contributions to pension plans	3		0				
117	Other deductions "Material" Items TAXREC	12		0				
118	Other deductions "Material" Item TAXREC 2	12		0				

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F			
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate			Filing	M of F	Tax	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
119								
120	Total TRUE-UPS before tax effect	26	=		0			
121								
122	Income Tax Rate (including surtax) from 2001 Utility's tax return		x		19.12%			
123								
124	Income Tax Effect on True-up adjustments		=		0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)		=		75,055			
137								
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)		x		19.12%			
139								
140	REVISED REGULATORY INCOME TAX		=		14,351			
141								
142	Less: Revised Miscellaneous Tax Credits		=		0			
143								
144	Total Revised Regulatory Income Tax		=		14,351			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)		=		25,609			
147								
148	Regulatory Income Tax Variance		=		(11,258)			
149								
150	Ontario Capital Tax							
151	Base		=		10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39		=		5,000,000			
153	Revised deemed taxable capital		=		5,288,429			
154								
155	Rate - Tab Tax Rates cell C54		x		0.3000%			
156								
157	Revised Ontario Capital Tax		=		3,999			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)		=		3,966			
159	Regulatory Ontario Capital Tax Variance		=		33			
160								
161	Federal LCT							
162	Base		=		10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40		=		10,000,000			
164	Revised Federal LCT		=		288,429			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51		=		0.2250%			
167								
168	Gross Amount		=		164			
169	Less: Federal surtax		=		841			
170	Revised Net LCT		=		0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)		=		0			
173	Regulatory Federal LCT Variance		=		0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)		=		18.00%			
176								
177	Income Tax (grossed-up)		=		(13,730)			
178	LCT (grossed-up)		=		0			
179	Ontario Capital Tax		=		33			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT		=		(13,697)			
182								
183	TRUE-UP VARIANCE (from cell I130)		=		0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)		=		(13,697)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	VI INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)		=		372,956			
194	Interest phased-in (Cell C36)		=		129,519			
195								
196	Variance due to phase-in of debt component of MARR in rates		=		243,437			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)		=		360,436			
202	Total deemed interest (REGINFO CELL D61)		=		372,956			
203								
204	Variance caused by excess debt		=		0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)		=		0			
207								
208	Total Interest Variance		=		243,437			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		92	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest expense and provision for income tax					
26						
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts					
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.					
29						
30	Income:					
31	Energy Sales	+	13,115,102		13,115,102	
32	Distribution Revenue	+	1,397,408		1,397,408	
33	Other Income	+	249,903		249,903	
34	Miscellaneous income	+	0		0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	13,115,102		13,115,102	
40	Administration	-	504,406		504,406	
41	Customer billing and collecting	-	289,414		289,414	
42	Operations and maintenance	-	370,863		370,863	
43	Amortization	-	475,239		475,239	
44	Ontario Capital Tax	-	0		0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	7,389	0	7,389	
51	Less: Interest expense for accounting purposes	-	368,093		368,093	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-360,704	0	-360,704	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	475,239	0	475,239	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		475,239	0	475,239	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	475,239	0	475,239	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	24,524		24,524	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		114,535	0	114,535	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	139,059	0	139,059	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	139,059	0	139,059	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	-24,524	0	-24,524	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	(24,524)	0	(24,524)	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+			0	
143	Net Ontario Income Tax (Must agree with tax return)	+			0	
144	Subtotal	=	0	0	0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	0	0	0	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
151	Blended Income Tax Rate		0.00%	*****	0.00%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	3,105		3,105	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	3,105	0	3,105	
161						
162						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	OPEB				0	
60	Regulatory Reserves				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						
65						

	A	B	C	D	E
1					
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
5	RATEPAYERS ONLY		Return		
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1
7					
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				
9	Reporting period: 2001				
10	Number of days in taxation year:		92		
11	Materiality Level:		0		
12					
13					
14					
15	Section C: Reconciliation of accounting income to taxable income				
16	Add:				
17		+			0
18	Gain on sale of eligible capital property	+			0
19	Loss on disposal of assets	+			0
20	Charitable donations (Only if it benefits ratepayers)	+			0
21	Taxable capital gains	+			0
22		+			0
23	Scientific research expenditures deducted	+			0
24	per financial statements	+			0
25	Capitalized interest	+			0
26	Soft costs on construction and renovation of buildings	+			0
27	Capital items expensed	+			0
28	Debt issue expense	+			0
29	Financing fees deducted in books	+			0
30	Gain on settlement of debt	+			0
31	Interest paid on income debentures	+			0
32	Recapture of SR&ED expenditures	+			0
33	Share issue expense	+			0
34	Write down of capital property	+			0
35	Amounts received in respect of qualifying environment trust	+			0
36	Provision for bad debts	+			0
37		+			0
38		+			0
39		+			0
40	Other Additions: (please explain in detail the nature of the item)	+			0
41		+			0
42		+			0
43		+			0
44		+			0
45		+			0
46	Total Additions	=	0	0	0
47					
48	Recap of Material Additions:				
49			0	0	0
50			0	0	0
51			0	0	0
52			0	0	0
53			0	0	0
54			0	0	0
55			0	0	0
56			0	0	0
57			0	0	0
58			0	0	0
59			0	0	0
60			0	0	0
61			0	0	0
62			0	0	0
63			0	0	0
64			0	0	0
65			0	0	0
66			0	0	0
67			0	0	0
68			0	0	0
69			0	0	0
70			0	0	0
71			0	0	0
72			0	0	0
73			0	0	0

	A	B	C	D	E
1					
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
5	RATEPAYERS ONLY		Return		
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1
7					
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				
9	Reporting period: 2001				
10	Number of days in taxation year:		92		
11	Materiality Level:		0		
12					
13					
74			0	0	0
75			0	0	0
76			0	0	0
77	Total Material additions		0	0	0
78	Other additions less than materiality level		0	0	0
79	Total Additions		0	0	0
80					
81	Deduct:				
82	Gain on disposal of assets per f/s	-			0
83	Dividends not taxable under section 83	-			0
84	Terminal loss from Schedule 8	-			0
85	Depreciation in inventory, end of prior year	-			0
86	Scientific research expenses claimed in year from Form T661	-			0
87	Bad debts	-			0
88	Book income of joint venture or partnership	-			0
89	Equity in income from subsidiary or affiliates	-			0
90	Contributions to a qualifying environment trust	-			0
91	Other income from financial statements	-			0
92		-			0
93		-			0
94		-			0
95	Other deductions: (Please explain in detail the nature of the item)	-			0
96		-			0
97		-			0
98		-			0
99	Total Deductions	=	0	0	0
100					
101	Recap of Material Deductions:				
102			0	0	0
103			0	0	0
104			0	0	0
105			0	0	0
106			0	0	0
107			0	0	0
108			0	0	0
109			0	0	0
110			0	0	0
111			0	0	0
112			0	0	0
113			0	0	0
114			0	0	0
115			0	0	0
116			0	0	0
117			0	0	0
118			0	0	0
119	Total Deductions exceed materiality level		0	0	0
120	Other deductions less than materiality level		0	0	0
121	Total Deductions		0	0	0

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	0	0	0	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3		LINE	M of F	Non-wires	Wires-only
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>			Corporate	Eliminations	Tax
6	(for "wires-only" business - see s. 72 OEB Act)			Tax		Return
7			0	Return		
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
69	Section 149(1)(d.6) adjustment relating to financial statement income relating to the period prior to Oct 1, 2001 when the entity was a commission		-	114,535		114,535
70			-			0
71			-			0
72			-			0
73			=	114,535	0	114,535
74						
75						

	A	B	C	D	E	F	G
1	PILs TAXES						
2	Corporate Tax Rates						
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Middlesex Power Distribution Corp. - Middlesex						
5	Reporting period: 2001						
6							
7							
8	Rates Used in 2001 RAM PILs Applications for 2002						
9	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%	26.12%	
15	and Ontario blended		6.00%		6.00%	12.50%	
16	Blended rate		19.12%		34.12%	38.62%	
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
24							
25							
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2002						
27	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	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							
36	Capital Tax Rate	2001	0.300%				
37	LCT rate	2001	0.225%				
38	Surtax	2001	1.12%				
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	10,000,000				
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43							
44	Input Information from Utility's Actual 2001 Tax Returns						
45	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
46							
47		Year					
48	Income Tax Rate						
49	Current year	2001					
50	Federal (Includes surtax)		13.12%		22.12%	28.12%	
51	Ontario		6.00%		9.75%	13.10%	
52	Blended rate		19.12%		31.87%	41.22%	
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.225%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,918,718				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							
61							
62							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	PILS TAXES															
2	Analysis of PILs Tax Account 1562:															
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex															
4	Reporting period: 2001															
5																
6																
7																
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006			
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total	
10																
11	Opening balance:	=	0		-13,697		-13,697		-13,697		-13,697		-13,697		0	
12	Board-approved PILs tax proxy from Decisions (1)	+/-													0	
14	True-up Variance Adjustment Q4, 2001 (2)	+/-	0												0	
16	True-up Variance Adjustment (3)	+/-													0	
18	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-	-13,697												-13,697	
20	Deferral Account Variance Adjustment (5)	+/-													0	
22	Adjustments to reported prior years' variances (6)	+/-													0	
23	Carrying charges (7)	+/-													0	
25	PILs billed to (collected from) customers (8)	-	0												0	
26																
27	Ending balance: # 1562		-13,697		-13,697		-13,697		-13,697		-13,697		-13,697		-13,697	
28																
29																
30																
31	Uncollected PILs															
32																
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.															
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.															
35																
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:															
37																
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.															
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 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 in cells C13 and E13.															
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.															
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.															
44	(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.															
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.															
46																
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be															
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.															
49																
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.															
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
52																
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be															
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.															
55																
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.															
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
58																
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.															
60																
61	(7) Carrying charges are calculated on a simple interest basis.															
62																
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate															
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the															
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.															
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.															
67																
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied															
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;															
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.															
71																
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,															
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.															
74																
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,															
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used															
77	to calculate the recovery for the period January 1 to March 31, 2005.															
78																
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes															
80	will have to include amounts from 1562 and from 1590.															
81																
82																

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Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment D
2002 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2002

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?	Y/N		Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?	Y/N		N	
16					
17	Is the utility a non-profit corporation?	Y/N		N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100%	
22		LCT		100%	
23					
24	Accounting Year End	Date		12-31-2002	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	18,430
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	287,591
48	Amount allowed in 2002			287,591	287,591
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				593,612
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR			372,956	
63					
64	Phase-in of interest - Year 1 (2001)			129,519	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			251,237	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			251,237	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			372,956	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5							Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	593,612		-520,229		73,383	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	457,151		47,467		504,618	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	7,767		-7,767		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				0		0	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	402,922		-167,242		235,680	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	261,415		80,906		342,321	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		394,193		(394,193)	Before loss C/F	0	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.0000%		19.12%	
54								
55	REGULATORY INCOME TAX		134,499		-134,499	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		134,499		-134,499	Actual	0	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429		-1,154,732		9,133,697	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-99,326		4,900,674	
68	Taxable Capital		5,288,429		-1,254,058		4,233,023	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		15,865		-3,166	Overpaid	12,699	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429		-10,288,429			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		288,429		-10,288,429		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649		-649		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	4,415		-4,415		0	
83								
84	Net LCT		0		3,766		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14								
15	III) INCLUSION IN RATES							
16								
17								
18	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
19								
20	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2002	0	
21	LCT (proxy tax is grossed-up)	23	0			Actual 2002	0	
22	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2002	12,699	
23								
24								
25	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	220,022.34			Actual 2002	12,699	
26	RAM DECISION							
27								
28								
29	IV) FUTURE TRUE-UPS							
30	IV a) Calculation of the True-up Variance				DR/(CR)			
31	In Additions:							
32	Employee Benefit Plans - Accrued, Not Paid	3			0			
33	Tax reserves deducted in prior year	4			0			
34	Reserves from financial statements-end of year	4			0			
35	Regulatory Adjustments	5			-7,767			
36	Other additions "Material" Items TAXREC	6			0			
37	Other additions "Material" Items TAXREC 2	6			0			
38	In Deductions - positive numbers							
39	Employee Benefit Plans - Paid Amounts	8			0			
40	Items Capitalized for Regulatory Purposes	9			0			
41	Regulatory Adjustments	10			0			
42	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
43	Tax reserves claimed in current year	4			0			
44	Reserves from F/S beginning of year	4			0			
45	Contributions to deferred income plans	3			0			
46	Contributions to pension plans	3			0			
47	Other deductions "Material" Items TAXREC	12			0			
48	Other deductions "Material" Item TAXREC 2	12			0			
49								
50	Total TRUE-UPS before tax effect	26			-7,767			
51								
52	Income Tax Rate (including surtax) from 2002 Utility's tax return				x 19.12%			
53								
54	Income Tax Effect on True-up adjustments				= -1,485			
55								
56	Less: Miscellaneous Tax Credits	14			0			
57								
58	Total Income Tax on True-ups				-1,485			
59								
60	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
61								
62	TRUE-UP VARIANCE ADJUSTMENT				(1,811)			
63								
64	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
65								
66	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)				= 394,193			
67								
68	REVISED CORPORATE INCOME TAX RATE (including surtax)				x 19.12%			
69								
70	REVISED REGULATORY INCOME TAX				= 75,370			
71								
72	Less: Revised Miscellaneous Tax Credits				- 0			
73								
74	Total Revised Regulatory Income Tax				= 75,370			
75								
76	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				- 134,499			
77								
78	Regulatory Income Tax Variance				= (59,129)			
79								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)							
5								
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex						Version 2009.1	
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days					
10	Total days in the calendar year:	365	days				Column Brought From TAXREC	
11								
12								
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base				=	10,288,429		
152	Less: Exemption from tab Tax Rates, Table 2, cell C39				-	5,000,000		
153	Revised deemed taxable capital				=	5,288,429		
154								
155	Rate - Tab Tax Rates cell C54				x	0.3000%		
156								
157	Revised Ontario Capital Tax				=	15,865		
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				-	15,865		
159	Regulatory Ontario Capital Tax Variance				=	0		
160								
161	Federal LCT							
162	Base					10,288,429		
163	Less: Exemption from tab Tax Rates, Table 2, cell C40				-	10,000,000		
164	Revised Federal LCT				=	288,429		
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51					0.2250%		
167								
168	Gross Amount					649		
169	Less: Federal surtax				-	4,415		
170	Revised Net LCT				=	0		
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)				-	0		
173	Regulatory Federal LCT Variance				=	0		
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)					18.00%		
176								
177	Income Tax (grossed-up)				+	(72,108)		
178	LCT (grossed-up)				+	0		
179	Ontario Capital Tax				+	0		
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT				=	(72,108)		
182								
183	TRUE-UP VARIANCE (from cell I130)				+	(1,811)		
184								
185	Total Deferral Account Entry (Positive Entry = Debit)				=	(73,920)		
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)					372,956		
194	Interest phased-in (Cell C36)					251,237		
195								
196	Variance due to phase-in of debt component of MARR in rates					121,719		
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)					335,152		
202	Total deemed interest (REGINFO CELL D61)					372,956		
203								
204	Variance caused by excess debt					0		
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)					0		
207								
208	Total Interest Variance					121,719		

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4			Return		
5		0			Version 2009.1
6	Section A: Identification:				
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex				
8	Reporting period: 2002				
9	Taxation Year's start date:				
10	Taxation Year's end date:				
11	Number of days in taxation year:		365	days	
12					
13	Please enter the Materiality Level :		0	< - enter materiality level	
14	(0.25% x Rate Base x CER)	Y/N	Y		
15	(0.25% x Net Assets)	Y/N	N		
16	Or other measure (please provide the basis of the amount)	Y/N	N		
17	Does the utility carry on non-wires related operation?	Y/N	N		
18	(Please complete the questionnaire in the Background questionnaire worksheet.)				
19					
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K				
21					
22	Section B: Financial statements data:				
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>				
24	<i>The actual categories of the income statements should be used.</i>				
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>				
26					
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>				
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>				
29					
30	Income:				
31	Energy Sales	+	13,415,745		13,415,745
32	Distribution Revenue	+	1,759,488		1,759,488
33	Other Income	+	191,834		191,834
34	Miscellaneous income	+			0
35		+			0
36	Revenue should be entered above this line				
37					
38	Costs and Expenses:				
39	Cost of energy purchased	-	13,415,745		13,415,745
40	Administration	-	533,206		533,206
41	Customer billing and collecting	-	398,670		398,670
42	Operations and maintenance	-	441,445		441,445
43	Amortization	-	504,618		504,618
44	Ontario Capital Tax	-			0
45		-			0
46		-			0
47		-			0
48		-			0
49					
50	Net Income Before Interest & Income Taxes EBIT	=	73,383	0	73,383
51	Less: Interest expense for accounting purposes	-	342,321		342,321
52	Provision for payments in lieu of income taxes	-			0
53	Net Income (loss)	=	-268,938	0	-268,938
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)				
55					
56	Section C: Reconciliation of accounting income to taxable income				
57	From T2 Schedule 1				
58	BOOK TO TAX ADDITIONS:				
59	Provision for income tax	+	0	0	0
60	Federal large corporation tax	+			0
61	Depreciation & Amortization	+	504,618	0	504,618
62	Employee benefit plans-accrued, not paid	+		0	0
63	Tax reserves - beginning of year	+	0	0	0
64	Reserves from financial statements- end of year	+	0	0	0

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4		0	Return		
5					Version 2009.1
65	Regulatory adjustments on which true-up may apply (see A66)	+			0
66	Items on which true-up does not apply "TAXREC 3"		0	0	0
67	Material addition items from TAXREC 2	+	0	0	0
68	Other addition items (not Material) from TAXREC 2	+	0	0	0
69					
70	<i>Subtotal</i>		504,618	0	504,618
71					
72	<i>Other Additions: (Please explain the nature of the additions)</i>				
73	Recapture of CCA	+			0
74	Non-deductible meals and entertainment expense	+			0
75	Capital items expensed	+			0
76		+			0
77		+			0
78		+			0
79		+			0
80	<i>Total Other Additions</i>	=	0	0	0
81					
82	<i>Total Additions</i>	=	504,618	0	504,618
83					
84	Recap Material Additions:				
85			0	0	0
86			0	0	0
87			0	0	0
88			0	0	0
89			0	0	0
90			0	0	0
91			0	0	0
92	<i>Total Other additions >materiality level</i>		0	0	0
93	Other additions (less than materiality level)		0	0	0
94	<i>Total Other Additions</i>		0	0	0
95					
96	BOOK TO TAX DEDUCTIONS:				
97	Capital cost allowance	-	235,680		235,680
98	Cumulative eligible capital deduction	-			0
99	Employee benefit plans-paid amounts	-			0
100	Items capitalized for regulatory purposes	-			0
101	<i>Regulatory adjustments :</i>	-			0
102	CCA	-			0
103	<i>other deductions</i>	-			0
104	<i>Tax reserves - end of year</i>	-	0	0	0
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0
106	<i>Contributions to deferred income plans</i>	-			0
107	<i>Contributions to pension plans</i>	-			0
108	Items on which true-up does not apply "TAXREC 3"		0	0	0
109	Interest capitalized for accounting deducted for tax	-			0
110	Material deduction items from TAXREC 2	-	0	0	0
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0
112					
113	<i>Subtotal</i>	=	235,680	0	235,680
114	<i>Other deductions (Please explain the nature of the deductions)</i>				
115	Charitable donations - tax basis	-			0
116	<i>Gain on disposal of assets</i>	-			0
117		-			0
118		-			0
119		-			0
120	<i>Total Other Deductions</i>	=	0	0	0
121					
122	<i>Total Deductions</i>	=	235,680	0	235,680
123					
124	Recap Material Deductions:				

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4		0	Return		
5					Version 2009.1
125			0	0	0
126			0	0	0
127			0	0	0
128			0	0	0
129			0	0	0
130	Total Other Deductions exceed materiality level		0	0	0
131	Other Deductions less than materiality level		0	0	0
132	Total Other Deductions		0	0	0
133					
134	TAXABLE INCOME	=	0	0	0
135	DEDUCT:				
136	Non-capital loss applied	-			0
137	Net capital loss applied	-			0
138					0
139	NET TAXABLE INCOME	=	0	0	0
140					
141	FROM ACTUAL TAX RETURNS				
142	Net Federal Income Tax (Must agree with tax return)	+			0
143	Net Ontario Income Tax (Must agree with tax return)	+			0
144	Subtotal	=	0	0	0
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0
146	Total Income Tax	=	0	0	0
147					
148	FROM ACTUAL TAX RETURNS				
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%
151	Blended Income Tax Rate		0.00%	*****	0.00%
152					
153	Section F: Income and Capital Taxes				
154					
155	RECAP				
156	Total Income Taxes	+	0	0	0
157	Ontario Capital Tax	+	12,699		12,699
158	Federal Large Corporations Tax	+			0
159					
160	Total income and capital taxes	=	12,699	0	12,699

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

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

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

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

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:			365		
13						
14						
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F
1	PILs TAXES					
2	Corporate Tax Rates					Version 2009.1
3	Exemptions, Deductions, or Thresholds					
4	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
5	Reporting period: 2002					
6						
7						
8	Rates Used in 2002 RAM PILs Applications for 2002					Table 1
9	Income Range		0		200,001	
10	RAM 2002		to		to	>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%			
19	LCT rate		0.225%			
20	Surtax		1.12%			
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000			
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000			
	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing					
23						
24						
25						
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002					Table 2
27	Income Range		0		200,001	
28	Expected Rates		to		to	>700,000
29		Year	200,000		700,000	
30	Income Tax Rate					
31	Current year	2002				
32	Federal (Includes surtax)	2002	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 instructions regarding regulated activities.					
42						
43						
44	Input Information from Utility's Actual 2002 Tax Returns					Table 3
45	Income Range		0		200,001	
46			to		to	>700,000
47		Year	200,000		700,000	
48	Income Tax Rate					
49	Current year	2002				
50	Federal (Includes surtax)		13.12%		22.12%	26.12%
51	Ontario		6.00%		9.75%	12.50%
52	Blended rate		19.12%		31.87%	38.62%
53						
54	Capital Tax Rate		0.300%			
55	LCT rate		0.225%			
56	Surtax		1.12%			
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,900,674			
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000			
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36					
60						

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex														
4	Reporting period: 2002														
5	Sign Convention: + for increase; - for decrease														
6	Version 2009.1														
7	0														
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		0		-73,920		-73,920		-73,920		-73,920		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-											0		0
13	True-up Variance Adjustment Q4, 2001 (2)	+/-											0		0
14	True-up Variance Adjustment (3)	+/-			-1,811										-1,811
15	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-													0
16	Deferral Account Variance Adjustment (5)	+/-			-72,108										-72,108
17	Adjustments to reported prior years' variances (6)	+/-													0
18	Carrying charges (7)	+/-													0
19	PILs billed to (collected from) customers (8)	-	0												0
20															
21	Ending balance: # 1562		0		-73,920		-73,920		-73,920		-73,920		-73,920		-73,920
22															
23															
24															
25															
26															
27															
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 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 in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment E
2003 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2003

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?	Y/N		Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?	Y/N		N	
16					
17	Is the utility a non-profit corporation?	Y/N		N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100%	
22		LCT		100%	
23					
24	Accounting Year End	Date		31-Dec-03	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	18,430
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	287,591
48	Amount allowed in 2002			287,591	287,591
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				593,612
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR			372,956	
63					
64	Phase-in of interest - Year 1 (2001)			129,519	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			251,237	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			251,237	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			372,956	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	593,612		-554,198		39,414	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	457,151		17,390		474,541	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	7,767		-7,767		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				0		0	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	402,922		-197,577		205,345	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	261,415		47,195		308,610	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		394,193		(394,193)	Before loss C/F	0	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.5000%		18.62%	
54								
55	REGULATORY INCOME TAX		134,499		-134,499	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		134,499		-134,499	Actual	0	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429		-1,378,646		8,909,783	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-133,380		4,866,620	
68	Taxable Capital		5,288,429		-1,512,026		4,043,163	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		15,865		-3,736	Overpaid	12,129	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429		-10,288,429			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		288,429		-10,288,429		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)	21	649		-649		0	
82	Less: Federal Surtax 1.12% x Taxable Income		4,415		-4,415		0	
83								
84	Net LCT		0		3,766		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				Column Brought From TAXREC	
10	Total days in the calendar year:	365	days					
11								
12			\$		\$		\$	
13								
14								
15	III) INCLUSION IN RATES							
16								
17	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
18								
19	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2003	0	
20	LCT (proxy tax is grossed-up)	23	0			Actual 2003	0	
21	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2003	12,129	
22								
23								
24	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	220,022			Actual 2003	12,129	
25								
26								
27								
28								
29	IV) FUTURE TRUE-UPS							
30	IV a) Calculation of the True-up Variance				DR/(CR)			
31	In Additions:							
32	Employee Benefit Plans - Accrued, Not Paid	3			0			
33	Tax reserves deducted in prior year	4			0			
34	Reserves from financial statements-end of year	4			0			
35	Regulatory Adjustments	5			-7,767			
36	Other additions "Material" Items TAXREC	6			0			
37	Other additions "Material" Items TAXREC 2	6			0			
38	In Deductions - positive numbers							
39	Employee Benefit Plans - Paid Amounts	8			0			
40	Items Capitalized for Regulatory Purposes	9			0			
41	Regulatory Adjustments	10			0			
42	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
43	Tax reserves claimed in current year	4			0			
44	Reserves from F/S beginning of year	4			0			
45	Contributions to deferred income plans	3			0			
46	Contributions to pension plans	3			0			
47	Other deductions "Material" Items TAXREC	12			0			
48	Other deductions "Material" Item TAXREC 2	12			0			
49								
50	Total TRUE-UPS before tax effect	26			= -7,767			
51								
52	Income Tax Rate (including surtax) from 2003 Utility's tax return				x 18.62%			
53								
54	Income Tax Effect on True-up adjustments				= -1,446			
55								
56	Less: Miscellaneous Tax Credits	14			0			
57								
58	Total Income Tax on True-ups				-1,446			
59								
60	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
61								
62	TRUE-UP VARIANCE ADJUSTMENT				(1,753)			
63								
64	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
65								
66	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)				= 394,193			
67								
68	REVISED CORPORATE INCOME TAX RATE (including Surtax)				x 18.62%			
69								
70	REVISED REGULATORY INCOME TAX				= 73,399			
71								
72	Less: Revised Miscellaneous Tax Credits				- 0			
73								
74	Total Revised Regulatory Income Tax				= 73,399			
75								
76	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				- 134,499			
77								
78	Regulatory Income Tax Variance				= (61,100)			
79								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
150	Ontario Capital Tax							
151	Base			=	10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	5,288,429			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	15,865			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	15,865			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base			=	10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	288,429			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				649			
169	Less: Federal surtax			-	4,415			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	(74,060)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(74,060)			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(1,753)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(75,813)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				372,956			
194	Interest phased-in (Cell C36)				251,237			
195								
196	Variance due to phase-in of debt component of MARR in rates				121,719			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				263,417			
202	Total deemed interest (REGINFO CELL D61)				372,956			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				121,719			
209								
210								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0				Version 2009.1
6	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	11,173,701		11,173,701	
32	Distribution Revenue	+	1,798,908		1,798,908	
33	Other Income	+	231,948		231,948	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,173,701		11,173,701	
40	Administration	-	540,622		540,622	
41	Customer billing and collecting	-	515,862		515,862	
42	Operations and maintenance	-	460,417		460,417	
43	Amortization	-	474,541		474,541	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	39,414	0	39,414	
51	Less: Interest expense for accounting purposes	-	308,610		308,610	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-269,196	0	-269,196	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	474,541	0	474,541	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		474,541	0	474,541	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0			Version 2009.1	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	474,541	0	474,541	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	205,345		205,345	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	205,345	0	205,345	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	205,345	0	205,345	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	0	0	0	
135	DEDUCT:					
136	Non-capital loss applied	-			0	
137	Net capital loss applied	-			0	
138					0	
139	NET TAXABLE INCOME	=	0	0	0	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+			0	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0			Version 2009.1	
143	Net Ontario Income Tax (Must agree with tax return)	+			0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	Total Income Tax	=	0	0	0	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide Ontario
151	Blended Income Tax Rate		0.00%	*****	0.00%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	12,129		12,129	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	12,129	0	12,129	
161						
162						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5		0			Version 2009.1	
6						
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						
66						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						
123						
124						

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+			0	
36	Interest and penalties on unpaid taxes	+			0	
37	Management bonuses unpaid after 180 days of year end	+			0	
38	Imputed interest expense on Regulatory Assets	+			0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	0	0	0	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:			365		
13						
69		-				0
70		-				0
71		-				0
72		-				0
73	Total Deductions on which true-up does not apply	=	0	0		0
74						

	A	B	C	D	E	F	G
1	PILs TAXES						
2	Corporate Tax Rates			Version 2009.1			
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Middlesex Power Distribution Corp. - Middlesex						
5	Reporting period: 2003						
6							
7	Table 1						
8	Rates Used in 2002 RAM PILs Applications for 2002						
9	Income Range		0		200,001		
10	RAM 2002		to		to		>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%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
23							
24							
25	Table 2						
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003						
27	Income Range		0	250,001	400,001		
28	Expected Rates		to	to	to		>1128000
29		Year	250,000	400,000	1,128,000		
30	Income Tax Rate						
31	Current year	2003					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
33	Ontario		5.50%	5.50%	9.75%		12.50%
34	Blended rate		18.62%	27.62%	31.87%		36.62%
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.225%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000				
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43	Table 3						
44	Input Information from Utility's Actual 2003 Tax Returns						
45	Income Range		0	250,001	400,001		
46			to	to	to		>1128000
47		Year	250,000	400,000	1,128,000		
48	Income Tax Rate						
49	Current year	2003					
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
51	Ontario		5.50%	5.50%	9.75%		12.50%
52	Blended rate		18.62%	27.62%	31.87%		36.62%
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.225%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5.0MM	4,866,620				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment F
2004 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2004

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?	Y/N		Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?	Y/N		N	
16					
17	Is the utility a non-profit corporation?	Y/N		N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100.0000%	
22		LCT		100.0000%	
23					
24	Accounting Year End	Date		31-Dec-04	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	18,430
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	287,591
48	Amount allowed in 2002			287,591	287,591
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				593,612
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR			372,956	
63					
64	Phase-in of interest - Year 1 (2001)			129,519	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			251,237	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			251,237	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			372,956	
71					
72					
73					

	A	B	C	D	E	F	G	H
1	PILS TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2004							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	593,612		-166,429		427,183	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	457,151		37,529		494,680	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	7,767		-7,767		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				0		0	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	402,922		105,202		508,124	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	261,415		3,255		264,670	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		394,193		(245,124)	Before loss C/F	149,069	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.4998%		18.62%	
54								
55	REGULATORY INCOME TAX		134,499		-106,742	Actual	27,757	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		134,499		-106,742	Actual	27,757	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429		-1,225,030		9,063,399	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-1,777,160		3,222,840	
68	Taxable Capital		5,288,429		-3,002,190		5,840,559	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		15,865		1,656	Overpaid	17,522	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429		-10,288,429			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		288,429		29,711,571		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649		-649		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	4,415		-4,415		0	
83								
84	Net LCT		0		3,766		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS							
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2004							
8								
9	Days in reporting period:	365	days				Column Brought From TAXREC	
10	Total days in the calendar year:	365	days					
11								
12			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2004	27,757	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2004	17,522	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	220,022			Actual 2004	45,279	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-7,767			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-7,767			
121								
122	Income Tax Rate (including surtax) from 2004 Utility's tax return			x	18.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-1,446			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-1,446			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(1,753)			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	394,193			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	73,400			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	73,400			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	134,499			
147								
148	Regulatory Income Tax Variance			=	(61,099)			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2004							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base				=	10,288,429		
152	Less: Exemption from tab Tax Rates, Table 2, cell C39				-	5,000,000		
153	Revised deemed taxable capital				=	5,288,429		
154								
155	Rate - Tab Tax Rates cell C54				x	0.3000%		
156								
157	Revised Ontario Capital Tax				=	15,865		
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				-	15,865		
159	Regulatory Ontario Capital Tax Variance				=	0		
160								
161	Federal LCT							
162	Base				=	10,288,429		
163	Less: Exemption from tab Tax Rates, Table 2, cell C40				-	50,000,000		
164	Revised Federal LCT				=	(39,711,571)		
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51					0.2000%		
167								
168	Gross Amount					0		
169	Less: Federal surtax				-	0		
170	Revised Net LCT				=	0		
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)				-	0		
173	Regulatory Federal LCT Variance				=	0		
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)					17.50%		
176								
177	Income Tax (grossed-up)				+	(74,059)		
178	LCT (grossed-up)				+	0		
179	Ontario Capital Tax				+	0		
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT				=	(74,059)		
182								
183	TRUE-UP VARIANCE (from cell I130)				+	(1,753)		
184								
185	Total Deferral Account Entry (Positive Entry = Debit)				=	(75,812)		
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)					372,956		
194	Interest phased-in (Cell C36)					251,237		
195								
196	Variance due to phase-in of debt component of MARR in rates					121,719		
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)					256,990		
202	Total deemed interest (REGINFO CELL D61)					372,956		
203								
204	Variance caused by excess debt					0		
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)					0		
207								
208	Total Interest Variance					121,719		
209								
210								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0			Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	11,643,832		11,643,832	
32	Distribution Revenue	+	1,916,573		1,916,573	
33	Other Income	+	234,585		234,585	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	11,643,832		11,643,832	
40	Administration	-	476,402		476,402	
41	Customer billing and collecting	-	461,280		461,280	
42	Operations and maintenance	-	291,613		291,613	
43	Amortization	-	494,680		494,680	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	427,183	0	427,183	
51	Less: Interest expense for accounting purposes	-	264,670		264,670	
52	Provision for payments in lieu of income taxes	-	39,933		39,933	
53	Net Income (loss)	=	122,580	0	122,580	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	39,933	0	39,933	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	494,680	0	494,680	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		534,613	0	534,613	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0			Version 2009.1	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	534,613	0	534,613	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	480,975		480,975	
98	Cumulative eligible capital deduction	-	27,149		27,149	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	508,124	0	508,124	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	508,124	0	508,124	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	149,069	0	149,069	
135	DEDUCT:					
136	Non-capital loss applied	-			0	
137	Net capital loss applied	-			0	
138					0	
139	NET TAXABLE INCOME	=	149,069	0	149,069	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	19,558		19,558	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5		0			Version 2009.1	
143	Net Ontario Income Tax (Must agree with tax return)	+	8,199		8,199	
144	Subtotal	=	27,757	0	27,757	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	Total Income Tax	=	27,757	0	27,757	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	*****	18.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	27,757	0	27,757	
157	Ontario Capital Tax	+	17,522		17,522	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	45,279	0	45,279	
161						
162						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5		0			Version 2009.1	
6						
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe					
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						
66						
67						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2004					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+				0
18	Gain on sale of eligible capital property	+				0
19	Loss on disposal of assets	+				0
20	Charitable donations (Only if it benefits ratepayers)	+				0
21	Taxable capital gains	+				0
22		+				0
23	Scientific research expenditures deducted	+				0
24	per financial statements	+				0
25	Capitalized interest	+				0
26	Soft costs on construction and renovation of buildings	+				0
27	Capital items expensed	+				0
28	Debt issue expense	+				0
29	Financing fees deducted in books	+				0
30	Gain on settlement of debt	+				0
31	Interest paid on income debentures	+				0
32	Recapture of SR&ED expenditures	+				0
33	Share issue expense	+				0
34	Write down of capital property	+				0
35	Amounts received in respect of qualifying environment trust	+				0
36	Provision for bad debts	+				0
37		+				0
38		+				0
39		+				0
40	Other Additions: (please explain in detail the nature of the item)	+				0
41		+				0
42		+				0
43		+				0
44		+				0
45		+				0
46	Total Additions	=	0	0		0
47						
48	Recap of Material Additions:					
49			0	0		0
50			0	0		0
51			0	0		0
52			0	0		0
53			0	0		0
54			0	0		0
55			0	0		0
56			0	0		0
57			0	0		0
58			0	0		0
59			0	0		0
60			0	0		0
61			0	0		0
62			0	0		0
63			0	0		0
64			0	0		0
65			0	0		0
66			0	0		0
67			0	0		0
68			0	0		0
69			0	0		0
70			0	0		0
71			0	0		0
72			0	0		0
73			0	0		0
74			0	0		0
75			0	0		0
76			0	0		0

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2004					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-				
95		-			0	
96		-			0	
97	Other deductions: (Please explain in detail the nature of the item)	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						
126						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+			0	
36	Interest and penalties on unpaid taxes	+			0	
37	Management bonuses unpaid after 180 days of year end	+			0	
38	Imputed interest expense on Regulatory Assets	+			0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	0	0	0	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:			365		
13						
14						
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						
76						

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381						
2	Corporate Tax Rates			Version 2009.1			
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Middlesex Power Distribution Corp. - Middlesex						
5	Reporting period: 2004						
6							
7							
8	Rates Used in 2002 RAM PILs Applications for 2002					Table 1	
9	Income Range		0		200,001		
10	RAM 2002		to		to	>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%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
23							
24							
25							
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004					Table 2	
27	Income Range		0	250,001	400,001		
28	Expected Rates		to	to	to	>1,128,000	
29		Year	250,000	400,000	1,128,000		
30	Income Tax Rate						
31	Current year	2004					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%	
33	Ontario		5.50%	5.50%	9.75%	14.00%	
34	Blended rate		18.62%	27.62%	31.87%	36.12%	
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.200%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	50,000,000				
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43							
44	Input Information from Utility's Actual 2004 Tax Returns					Table 3	
45	Income Range		0	250,001	400,001		
46			to	to	to	>1,128,000	
47		Year	250,000	400,000	1,128,000		
48	Income Tax Rate						
49	Current year	2004					
50	Federal (Includes surtax)		13.12%	22.12%	22.29%	22.12%	
51	Ontario		5.50%	5.50%	13.77%	14.00%	
52	Blended rate		18.62%	27.62%	36.06%	36.12%	
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.200%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	3,222,840				
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							
61							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex													Version 2009.1	
4	Reporting period: 2004													0	
5															
6															
7															
8	Year start:	10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006			
9	Year end:	12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total	
10															
11	Opening balance:	=	0	0	0	0	0	-75,812	-75,812	0	0	0	0	0	0
12	Board-approved PILs tax proxy from Decisions (1)	+/-													
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													
16	True-up Variance Adjustment (3)	+/-					-1,753							-1,753	0
18	Deferral Account Variance Adjustment Q4, 2001 (4)													0	0
20	Deferral Account Variance Adjustment (5)	+/-					-74,059							-74,059	0
22	Adjustments to reported prior years' variances (6)	+/-												0	0
23	Carrying charges (7)	+/-												0	0
25	PILs billed to (collected from) customers (8)	-	0											0	0
26															
27	Ending balance: # 1562		0	0	0	0	-75,812	-75,812	-75,812	-75,812	-75,812	-75,812	-75,812	-75,812	-75,812
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 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 in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61															
62	(7) Carrying charges are calculated on a simple interest basis.														
63															
64	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
65	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
66	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
67	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
68															
69	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
70	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
71	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
72															
73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
74	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
75															
76	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
77	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
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 Account # 1590. Final reconciliation of PILs proxy taxes														
	will have to include amounts from 1562 and from 1590.														

Attachment G
January 2005 to June 2005
Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2005

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	181	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
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		100.0000%	
22		LCT		100.0000%	
23					
24	Accounting Year End		Date	31-Dec-05	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	9,215
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	143,796
48	Amount allowed in 2002			287,591	143,796
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			287,591	143,796
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				
52	Other Board-approved changes to MARR or incremental revenue				
53					
54	Total Regulatory Income				440,602
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR	Half Year		186,478	
63		Applied			
64	Phase-in of interest - Year 1 (2001)			64,759	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			125,618	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			125,618	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			186,478	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	181	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	440,602		-483,796	RAM pro-rated for half year 2005	-43,194	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	228,575		-3,830		224,745	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				179,826		179,826	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	201,461		13,294		214,755	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	186,478		-68,124		118,354	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"		35,000		552,215		587,215	
49								
50	TAXABLE INCOME/ (LOSS)		246,238		(805,185)	Before loss C/F	(558,947)	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		-8.8782%		18.62%	
54								
55	REGULATORY INCOME TAX		67,715		-62,451	Actual	5,264	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		67,715		-62,451	Actual	5,264	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429		-2,432,953		7,855,476	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-2,916,260		4,583,740	
68	Taxable Capital		2,788,429		-5,349,213		3,271,736	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		4,148		719	Overpaid	4,867	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429		-10,288,429			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		0		-10,288,429		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	181	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		27.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	93,401			Actual 2005	5,264	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	4,148			Actual 2005	4,867	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	97,549			Actual 2005	10,131	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (including surtax) from 2005 Utility's tax return			x	18.62%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	246,238			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	45,854			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	45,854			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	67,715			
147								
148	Regulatory Income Tax Variance			=	(21,862)			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	181	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	2,788,429			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	4,148			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	4,148			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(39,711,571)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	(26,499)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(26,499)			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(26,499)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				186,478			
194	Interest phased-in (Cell C36)				125,618			
195								
196	Variance due to phase-in of debt component of MARR in rates				60,859			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				103,630			
202	Total deemed interest (REGINFO CELL D61)				186,478			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				60,859			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2005					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		181	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	6,205,259		6,205,259	
32	Distribution Revenue	+	1,054,718		1,054,718	
33	Other Income	+	-80,311		-80,311	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	6,205,259		6,205,259	
40	Administration	-	382,839		382,839	
41	Customer billing and collecting	-	166,721		166,721	
42	Operations and maintenance	-	243,296		243,296	
43	Amortization	-	224,745		224,745	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-43,194	0	-43,194	
51	Less: Interest expense for accounting purposes	-	118,354		118,354	
52	Provision for payments in lieu of income taxes	-	39,268		39,268	
53	Net Income (loss)	=	-200,816	0	-200,816	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	39,268	0	39,268	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	224,745	0	224,745	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		179,826	0	179,826	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		443,839	0	443,839	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	Total Additions	=	443,839	0	443,839	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	202,235		202,235	
98	Cumulative eligible capital deduction	-	12,520		12,520	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	214,755	0	214,755	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	214,755	0	214,755	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	28,268	0	28,268	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	28,268	0	28,268	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	3,709		3,709	
143	Net Ontario Income Tax (Must agree with tax return)	+	1,555		1,555	
144	Subtotal	=	5,264	0	5,264	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	Total Income Tax	=	5,264	0	5,264	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	*****	18.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	5,264	0	5,264	
157	Ontario Capital Tax	+	4,867		4,867	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	10,131	0	10,131	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2005					
10	Number of days in taxation year:		181			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2005					
10	Number of days in taxation year:		181			
11	Materiality Level:		0			
12						
13						
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-				
95		-			0	
96		-			0	
97	Other deductions: (Please explain in detail the nature of the item)	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		181			
13						
14						
15						
16	<u>Section C: Reconciliation of accounting income to taxable income</u>					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income from joint ventures or partnerships	+			0	
45	Loss on disposal of capital assets	+	179,826		179,826	
46		+				
47	Total Additions on which true-up does not apply	=	179,826	0	179,826	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						

	A	B	C	D	E	F
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Middlesex Power Distribution Corp. - Middlesex									
5	Reporting period: 2005									
6										
7	Table 1									
8	Rates Used in 2005 RAM PILs Applications for 2005									
9	Income Range		0 to 400,000		400,001 to 1,128,000		>1128000			
10	RAM 2002	Year								
11	Income Tax Rate									
12	Proxy Tax Year	2005								
13	Federal (Includes surtax)		13.12%		17.75%		22.12%			
14	and Ontario blended		5.50%		9.75%		14.00%			
15	Blended rate		18.62%		27.50%		36.12%			
16	Capital Tax Rate		0.300%							
17	LCT rate		0.175%							
18	Surtax		1.12%							
19	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
20	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
21	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
22										
23										
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2005								
31	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
32	Ontario		5.50%	5.50%	9.75%		14.00%			
33	Blended rate		18.62%	27.62%	31.87%		36.12%			
34	Capital Tax Rate		0.300%							
35	LCT rate		0.225%							
36	Surtax		1.12%							
37	Ontario Capital Tax Exemption *** 2002	MAX \$7.5MM	7,500,000							
38	Federal Large Corporations Tax Exemption *** 2002	MAX \$50MM	50,000,000							
39	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
40										
41										
42										
43	Table 3									
44	Input Information from Utility's Actual 2005 Tax Returns									
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
46	Expected Rates	Year								
47	Income Tax Rate									
48	Current year	2005								
49	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
50	Ontario		5.50%	5.50%	9.75%		14.00%			
51	Blended rate		18.62%	27.62%	31.87%		36.12%			
52	Capital Tax Rate		0.300%							
53	LCT rate		0.200%							
54	Surtax		1.12%							
55	Ontario Capital Tax Exemption *	MAX \$7.5MM	4,583,740							
56	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
57	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule									
58										
59										
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex														Version 2009.1
4	Reporting period: 2005														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=			0		0		0		0		-26,499		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-													0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-									0				0
18	Deferral Account Variance Adjustment Q4, 2001 (4)														0
20	Deferral Account Variance Adjustment (5)	+/-									-26,499				-26,499
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-													0
25	PILs billed to (collected from) customers (8)	-	0												0
26															
27	Ending balance: # 1562		0		0		0		0		-26,499		-26,499		-26,499
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 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 in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

Attachment H
July 2005 to December 2005
Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp. - Middlesex
OEB File Number	EB-2012-0098
Filing Year	2005

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex			Colour Code	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	184	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
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		100.0000%	
22		LCT		44.0000%	
23					
24	Accounting Year End		Date	31-Dec-05	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			10,288,429	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			881,204	
42					
43	1999 return from RUD Sheet #7			18,430	9,215
44					
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	143,796
48	Amount allowed in 2002			287,591	143,796
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			287,591	143,796
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				
52	Other Board-approved changes to MARR or incremental revenue				
53					
54	Total Regulatory Income				440,602
55					
56	Equity			5,144,215	
57					
58	Return at target ROE			508,248	
59					
60	Debt			5,144,215	
61					
62	Deemed interest amount in 100% of MARR	Half Year		186,478	
63		Applied			
64	Phase-in of interest - Year 1 (2001)			64,759	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			125,618	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			125,618	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			186,478	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	184	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	440,602		-150,908	RAM pro-rated for half year 2005	289,694	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	228,575		-19,195		209,380	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			100,404		100,404	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				868,537		868,537	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	201,461		10,834		212,295	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	186,478		-24,013		162,465	
38	Tax reserves - end of year	4			148,929		148,929	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"		35,000		552,215		587,215	
49								
50	TAXABLE INCOME/ (LOSS)		246,238		110,873	Before loss C/F	357,111	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		8.6201%		36.12%	
54								
55	REGULATORY INCOME TAX		67,715		61,274	Actual	128,989	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		67,715		61,274	Actual	128,989	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	10,288,429		2,266,315		12,554,744	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-3,529,151		3,970,849	
68	Taxable Capital		2,788,429		-1,262,836		8,583,895	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		4,217		8,765	Overpaid	12,982	
73								
74	Federal Large Corporations Tax							
75	Base	18	10,288,429		11,711,571		22,000,000	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		0		11,711,571		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	184	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		27.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	93,401			Actual 2005	128,989	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	4,217			Actual 2005	12,982	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	97,618			Actual 2005	141,971	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			100,404			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			148,929			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-48,525			
121								
122	Income Tax Rate (including surtax) from 2005 Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-17,527			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-17,527			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(26,965)			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	246,238			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	88,941			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	88,941			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	67,715			
147								
148	Regulatory Income Tax Variance			=	21,226			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp. - Middlesex							
7	Reporting period: 2005							
8								
9	Days in reporting period:	184	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	2,788,429			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	4,217			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	4,217			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(39,711,571)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	32,655			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	32,655			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(26,965)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	5,690			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				186,478			
194	Interest phased-in (Cell C36)				125,618			
195								
196	Variance due to phase-in of debt component of MARR in rates				60,859			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				157,397			
202	Total deemed interest (REGINFO CELL D61)				186,478			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				60,859			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2005					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		184	days		
12						
13	Please enter the Materiality Level :		12,861	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	7,400,668		7,400,668	
32	Distribution Revenue	+	1,042,781		1,042,781	
33	Other Income	+	234,670		234,670	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	7,400,668		7,400,668	
40	Administration	-	79,844		79,844	
41	Customer billing and collecting	-	290,778		290,778	
42	Operations and maintenance	-	407,755		407,755	
43	Amortization	-	209,380		209,380	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	289,694	0	289,694	
51	Less: Interest expense for accounting purposes	-	162,465		162,465	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	127,229	0	127,229	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	209,380	0	209,380	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	100,404	0	100,404	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		868,537	0	868,537	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		1,178,321	0	1,178,321	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	Total Additions	=	1,178,321	0	1,178,321	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	200,009		200,009	
98	Cumulative eligible capital deduction	-	12,286		12,286	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	148,929	0	148,929	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		587,215	0	587,215	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	948,439	0	948,439	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	948,439	0	948,439	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	357,111	0	357,111	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	357,111	0	357,111	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	78,993		78,993	
143	Net Ontario Income Tax (Must agree with tax return)	+	49,996		49,996	
144	Subtotal	=	128,989	0	128,989	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	Total Income Tax	=	128,989	0	128,989	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	Divide Ontario
151	Blended Income Tax Rate		36.12%	*****	36.12%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	128,989	0	128,989	
157	Ontario Capital Tax	+	12,982		12,982	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	141,971	0	141,971	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Reserve for Doubtful Debts		63,111		63,111	
31	Reserve for Undelivered Goods and Services		85,818		85,818	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		148,929	0	148,929	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	Employee Future Benefits		37,293		37,293	
61	Reserve for Doubtful Debts		63,111		63,111	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		100,404	0	100,404	
65						

Tax Reserves

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2005					
10	Number of days in taxation year:		184			
11	Materiality Level:		12,861			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex					
9	Reporting period: 2005					
10	Number of days in taxation year:		184			
11	Materiality Level:		12,861			
12						
13						
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-				
95		-			0	
96		-			0	
97	Other deductions: (Please explain in detail the nature of the item)	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Middlesex Power Distribution Corp. - Middlesex				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		184			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,500		2,500	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Additional depreciation included in financial statement O&M	+	15,587		15,587	
45	Regulatory Revenue Repayable	+	380,600		380,600	
46	Regulatory Asset Recoverable	+	469,850			
47	Total Additions on which true-up does not apply	=	868,537	0	398,687	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Closing adjustment for regulatory costs	-	587,215		587,215	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	587,215	0	587,215	
74						
75						

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Middlesex Power Distribution Corp. - Middlesex														Version 2009.1
4	Reporting period: 2005														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=			0		0		0		0		5,690		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-													0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-									-26,965				-26,965
18	Deferral Account Variance Adjustment Q4, 2001 (4)														0
20	Deferral Account Variance Adjustment (5)	+/-									32,655				32,655
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-													0
25	PILs billed to (collected from) customers (8)	-	0												0
26															
27	Ending balance: # 1562		0		0		0		0		5,690		5,690		5,690
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 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 in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

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Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill

Account 1562 Deferred PILs – Interrogatory Responses

Board File No.: EB-2012-0098

Date Filed: July 27, 2012

Attachment I

Proposed Rate Rider Calculation

Proposed Rate Rider

Entegrus has allocated the April 30, 2012 Account 1562 balance to each customer class based on its 2010 billing determinants as filled in its annual RRR, which is consistent with the approach utilized in the 2012 IRM Rate Generator Model – Tab 10. Table 1 below sets out the allocation of the April 30, 2012 Account 1562 balance by each customer class and calculates the proposed Rate Riders for disposition.

Entegrus requests that these rate riders be included in its Tariff of Rates and Charges effective for a one year period commencing November 1, 2012.

The following reasons support Entegrus' request for a one year disposition period commencing November 1, 2012:

- A November 1, 2012 date is proposed to allow sufficient time for the regulatory process for the current Application, since the new distribution rates will be approved in EB-2011-0148 effective for May 1, 2012;
- In terms of the new May 1, 2012 distribution rates, customer rate communications (exclusive of the impact of the proposed PILs rate riders herein), including newspaper advertisements, brochures and letters are already currently in progress for the rate period commencing May 1, 2012;
- Entegrus plans on filing an application for smart meter cost recovery and prudence review in the second quarter of 2012, so the timing of any corresponding rate rider could coincide with a November 1, 2012 date;
- Combining both changes into a November 1, 2012 rate change may alleviate customer confusion by ensuring one coordinated rate change in a relatively short period of time.

Entegrus Inc. - Strathroy, Mt Brydges & Parkhill

PILs Final Disposition, IR Responses

Proposed Rate Rider Calculation

Effective November 1, 2012 to October 31, 2013

PILs Disposition Amount	-\$346,938.44
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Rate Class	Unit	Metered kWh	Metered kW	Distribution Revenue	Allocate to Rate Class	Rate Rider
Residential	\$/kWh	58,904,267	-	\$2,032,894.44	-\$265,862.10	-\$0.0045
General Service <50	\$/kWh	17,998,806	-	\$254,708.06	-\$33,310.74	-\$0.0019
General Service >50	\$/kW	91,846,588	235,476	\$331,410.29	-\$43,341.86	-\$0.1841
Large User	\$/kW	29,034,336	56,098	\$20,593.00	-\$2,693.15	-\$0.0480
Unmetered Scattered Load	\$/kWh	311,683	-	\$6,864.18	-\$897.70	-\$0.0029
Sentinel Lights	\$/kW	42,724	119	\$303.37	-\$39.67	-\$0.3347
Street Lighting	\$/kW	1,458,103	4,316	\$6,065.23	-\$793.21	-\$0.1838
Total		199,596,507	296,009	\$2,652,838.57	-\$346,938.44	