	A	В	С	l D	Е
	A	Ь	U	D	
-	DECUL ATORY INCORMATION (DECINEO)				Version 2009.1
	REGULATORY INFORMATION (REGINFO)			0-10	
	Utility Name: Parry Sound Power Corporation Reporting period: 2003			Colour Code	
5	Reporting period: 2003			Input Cell	
	Dave in reporting period:	205	مامريم	Formula in Cell	
	Days in reporting period:	365	days		
	Total days in the calendar year:	365	days		
8					
	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
10					
	Is the utility a non-profit corporation?		Y/N		
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
ZJ	·				
24	Accounting Year End		Date	12-31-2003	
26	MARR NO TAX CALCULATIONS				Regulatory
-	SHEET #7 FINAL RUD MODEL DATA				Income
-	(FROM 1999 FINANCIAL STATEMENTS)				
	USE BOARD-APPROVED AMOUNTS				
30					
	Rate Base (wires-only)			6,561,667	
02				1	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
07	Total Data of October 19			0.000/	
-	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			562,007	
72					
43	1999 return from RUD Sheet #7			21,594	21,594
45	Total Incremental revenue			540,413	
	Input: Board-approved dollar amounts phased-in			0.10,1.10	
47	Amount allowed in 2001			180,138	180,138
48	Amount allowed in 2002			180,138	
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				381,870
55					,
	Equity			3,280,834	
57				, ,	
58	Return at target ROE			324,146	
59					
60	Debt			3,280,834	
61					
62	Deemed interest amount in 100% of MARR			237,860	
63					
64	Phase-in of interest - Year 1 (2001)			85,380	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			161,620	
67	((D43+D47+D48)/D41)*D61			,	
68	Phase-in of interest - Year 3 (2003) and forward			161,620	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			237,860	
71					
72					
				•	

B	A	В	C	D	E M M F	F M N F	G	Н
3	PIL & DEFERRAL AND VARIANCE ACCOUNTS INSTV Name: Parry Sound Power Correspond ("Wiscounts" Instincts - oce Toh TAXRECT	F	Folimata	F	Filinn Variance K.C	Filen Varianna Fynlanation	Ratures	Ħ
3 4 5 6 7 8 9 10 11 12 13 14 15	Bility Name: Parry Sound Power Corneration			E	Aug :	, enanalist	Version 2009 1	Ħ
8	Reporting period: 2003						Column	
10 11	Dave in renomine review Total dave in the calendar year-	366	rlavs rlavs	F			From TAXREC	
12			S		S		s	
15	IN CORPORATE INCOME TAXES Regulatory Nat Income REGINEO ESS	Ţ	351.847		11.161		362 998	
17 18	BOOK TO TAX AD JUSTMENTS	Ė		E	11.151			
20	Artificions Denrariation & Amontisation Employee Repail Plans - Account Not Paid	2	408.012		.78 597		329.475	
22 23	Tay receives - heniminn of year Receives from financial statements - end of year	4		E	0		0	
24 25	Borelstern Arlistments , increase in income Other Arktitine (See Tah antitled "TAYREC")	- 5	8.084	Е	.8.064		0	
28 27 28	Other Additions (Sao Tah ordited "TAXREC"). "Material Items from "TAXREC" worksheet Chier Addition from "Material" "TAXREC" "Material Items from "TAXREC" worksheet	6		E	0		0	
29 30	Other Additions from "Massistin TAXREC 2" Items on which true-up does not apply "TAXREC 3"	â			0 8.364		8.364	
31 32	Deductions: Input positive numbers							
33 34	Canhal Crest Alinwanna and CEC. Emilinaa Banali Plans. Paril Amousts term Caristians for Regulatory Purposas	7 8 9	201 110	H	25.506 0		258.825 0	П
38 37	Rowldann Aristmant - richaring for tax runnings in Item 5 Interest Evense Deemark Inversal	10	148 913		27 531		0 176 444	
38 39	Tay rosenues , and of year Rosenues from financial statements , harinninn of year	4		L	0		0	
41 42	Contributions to national society reaso Contributions to nancion plans Interest contained for accounting but deducted for tay	3 11		F	0		0	
43 44	Other Deductions (See Tah entitled "TAXREC") "Material" Items from "TAXREC" worksheet	12			٥		0	
45 46	Other Desturbanc Intel "Material": "TAXREC" Material Items from "TAXREC 2" worksheet Other Desturbanc fors "Material": "TAXREC 2"	12		F	0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
50 51	TAXABLE INCOME/ (LOSS)		327.891		-120.123		207.768	
53	BLENDED INCOME TAX RATE Tax Rates	13	34.12%		#D(V/01		ADIV/01	
55	REGULATORY INCOME TAX		111.876		-107.688	Actual	4.188	
57 58	Miscellaneous Tax Credits	14		E	0	Actual	0	
59 60	Total Regulatory Income Tax		111.876	Ē	-107.688	Actual	4.188	Ε
61 62 63	B CAPITAL TAYER			F				Ħ
64 65	Ontario	E		E				Ø
68 67	Rasa Loss: Evametine .Tay Rates . Revulation: Table 1: Artical Table 3	15 16	6 561 667 5 000 000 1 501 607	F	.103 323 .1 039 405		8 368 344 3 960 595 2 407 749	Ħ
68 89 70	Tavahia Canital Rose - Tav Rose - Renvilatoro Tahia 1: Armal Tahia 3	17	1 581 687 0 300090	F	.1 232 728 0 0000%		0.3000%	Ħ
71 72	Note - Lav Malos - Marvadinio - Landa 11 - Arelat - Landa 12 Oreario Canital Tay	É	4 685	E	2.538		7.998	E
73 74	Forlard I armo Cornerations Tay	Ē		Ē				I
76 72	Race Loss: Evametine Tay Rates , Revulation Table 1: Armal Table 3 Tayahla Canital	19	6 561 667 10 000 000	F	.6 561 667 .10 000 000 .16 561 667			Ħ
78 79	State - Tay Rates - Regulatory Table 1: Aresal Table 9	20	0.2350%	E	0.0000%		0.2250%	Ħ
	Cornos America ed I CT hafera curtar efficat (Tavahla Canital v Rata) Loss: Farlaral Sustav 1 19% v Tavahla Innema	9*	ņ	F				H
83 84	Locs: Forland Sustav. 1 19%, v Tavalilla Innoma. Not I CT	Ė	0	E	0		0	Ħ
85 88	IN INCLUSION IN PATER							
87 88	browns Tay Rate used for notice in fewfirth contact		34 12%					
90 91	browns Tay (navy tay is renssarium) (CT (newy tay is renssarium)	22 23	189 819			Actual 2003,CMT Actual 2003	4 188 0	
93	Ontarin Canital Tay (no renosure since it is riartertitia)	24	4 885			Actual 2003	7 223	
95 96	Total PILs for Rate Adjustment MUST AGREE WITH 2002 RAM DECISION	25	174,504	F		Actual 2003	11,411	
97								
100	IV) FUTURE TRUE-UPS IV a) Calculation of the True-up Variance In Additions:			F	DR/(CR)			
102	Employee Benefit Plans - Accrued. Not Paid Tax reserves deducted in prior year Reserves from financial statements-and of year	3 4		Е	0			Ш
104		5		E	-8.064			
102	Other additions "Material" Items TAXREC Other additions "Material" Items TAXREC 2 In Deductions - positive numbers	6		Е	ő			
100	Employee Bandit Plans - Paid Amounts terms Capitalized for Regulatory Purposes	8 9		E	0			
1112	Reculatory Adjustments Interest Adjustment for tax purposes (See Below - cell (206)	10		F	0			П
114	Tax reserves claimed in current year Reserves from F/S beginning of year Contributions to deferred income plans	4 3		Е	0			
116 117	Interested From Fig. Contributions to deferred income claims Contributions to designed income claims Contributions to designed income claims Contributions To designed related Cother deductions "Materials" Items TAXREC Other deductions "Materials" Item TAXREC 2	12			0			
119	Other deductions Material from LAXASC 2 Total TRLE-LIPS before tax affect	12		Ė	9.004			Н
122	Jacoma Tay Rata			v	21 90%			
124	brome Tay Effort on True.un orlinstments			-	-1 786			
126	Lose: Misrallanerus Tov Craritis	14		F				Н
128	Total Income Tay on Timeums				-1 786 20 786			
131	terrine Tay Rate used for innectin (authors curtar) TRUELIP VARIANCE AN EISTMENT			F	20 78%			
199	IV b) Calculation of the Deferral Account Variance caused by			F				Н
134 135	changes in legislation. REGULATORY TAXABLE INCOME (LOSSES) (as reported in the initial			F				H
138	actimate related			-	327,891			Ш
139 139 140 140 140	BEWISED CORPORATE INCOME TAX RATE			×	21 90%			I
140 141 142	BEVISED RECILI ATORY INCOME TAX Loss: Revised Miscellaneurs Tay Craffis			Ī	71.808			Ħ
	Total Revised Remitters Innome Tay			Ė	71.808			Ħ
144 145 146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell CSS)	H		F	111.876			H
147 149	CS8. Regulatory Income Tax Variance	E		Ė	111.876 -40.068			Ħ
147 148 149 150 151 152 153 154 156 156	Ontario Canital Tay	Ē		Ē	6.561.667			Ē
151 152 167	Base Less: Exemption from tab Tax Rates. Table 2. cell C39 Revised deemed taxable capital			-	6.561.667 5.000.000 1.561.667			Ħ
154 155	Rane - Tab Tax Rates cell C36			×	0.3000%			Ħ
158 157	Revised Ontario Capital Tax Less: Ortario Capital Tax reported in the initial estimate column (Cell			-	4.685			Ħ
158 159	Less: Ortario Capital Tax reported in the initial estimate column (Cell C20) Remilatory Ortario Canital Tay Varianna	Ŀ		÷	4.685			Н
160 161	Farieral I CT	E		Ē				Ē
162 163	Base Less: Exemption from tab Tax Rates, Table 2, cell C40 Revised Federal LCT			-	6,561,667 10,000,000 -3,438,333			Ħ
165 168	Rate (as a result of lecislative changes) tab 'Tax Rates' cell C37			Ē	0.2250%			
168	Gross Amount Less: Federal surtex			Ė	0			Ħ
170 171	Revised Net LCT	E		Ė	0			Ħ
172 173	Less: Federal LCT reported in the initial estimate column (Cell C82) Regulatory Federal LCT Variance	E		÷	0	_		Ħ
174 175 179	Actual Income Tax Rate used for gross-up (exclude surtex)			F	20.78%			Ħ
177 178				+	-50,578 0			E
	Income Tax (grossed-up)	-		+	0			Ħ
179	Income Tax (grossed-up) LCT (grossed-up) Omario Capital Tax			-	-EA F744			_
129 180 181 183 183	Income Tax (grossed-up)			-	-50,578 -2,229			Н
179 180 181 183 183 184 186	Income Tax (orossed-set) LCT (orossed-set) Direction Castellia Tax DEFERRAL ACCOUNT VARIANCE ADJUSTMENT TRUE-UP VARIANCE (from cell 1132)							
179 180 181 183 183 184 186 186	Income Tax (orossed-up) LCT (orossed-up) Onterio Cacital Tax DEFERRAL ACCOUNT VARIANCE ADJUSTMENT				-2,229			
1979 1887 1881 1883 1884 1886 1886 1888 1888 1889	Scotter Transportation Control Co				-2,229			
199 180 181 183 183 183 183 183 183 183 190 191	Income. Tax formed and CLI formeasted and CLI forme				-2,229 -52.808			
179 180 181 183 183 184 186 188 189 190 190 190 190	Norma Tax Granded and CET Intermediated Charles General Tax Granded T			•	-2,229			
1779 1886 1886 1886 1886 1886 1886 1886 188	Norma Tax Granded and CET Intermediated Charles General Tax Granded T				-2,229 -52.808			
179 189 189 188 188 192 193 193 193 193 193 193 193 193 193 193	Norma Tax Graned and CET Enterested and Opinion General Tax Grane General Tax STEPRISH, ACCOUNTY VERNINGE ADAPT VERNING THE STEPRISH, ACCOUNTY VERNINGE ADAPT VERNING THE STEPRISH ACCOUNTY VERNINGE ADAPT VERNING OPINION AND ADAPT VERNINGE ADAPT VERNINGE OPINION ADAPT VERNINGE ADAPT VERNI			-	-2,229 -52,898 237,860 161,620			
192 123 123 123 123 123 123 123 123 123 12	Norma Tax Graned and CET Enterested and Opinion General Tax Grane General Tax STEPRISH, ACCOUNTY VERNINGE ADAPT VERNING THE STEPRISH, ACCOUNTY VERNINGE ADAPT VERNING THE STEPRISH ACCOUNTY VERNINGE ADAPT VERNING OPINION AND ADAPT VERNINGE ADAPT VERNINGE OPINION ADAPT VERNINGE ADAPT VERNI				-2,229 -52,898 -237,890 -181,620 -76,240			
######################################	Norma Tax Granded and CET Intermediated Charles General Tax Granded T			-	-2,229 -52,898 237,860 161,620			
EVEL EVEL EVEL EVEL EVEL EVEL EVEL EVEL	THE ATT PROPRIED OF THE PROPERTY OF THE PROPER			-	-2,229 -52,898 -237,890 -161,620 -76,240 -176,444 -237,890			
	Normal Tax (Frances and CEEE Frances and			-	-2,229 -52,898 -237,890 -161,620 -76,240 -176,444 -237,890			
######################################	NOW, TAL Granted and CET Encounted and Outsin-General Tal. Granted Section CHESTERS AS COUNTY VERSIONE AND STREET THANK OF VERSION AND SECTION AND			-	-2,229 -52,808 -52,808 -52,808 -52,808 -53,800 -561,620 -76,240 -176,444 -237,860 -0			

F	A	LINE	C M of F	D Non-wires	E Wires-only	F
3	TAX RETURN RECONCILIATION (TAXREC)		Corporate Tax	Eliminations	Tax Return	
5	0		Return		Version 2009.1	
6 7	Section A: Identification: Utility Name: Parry Sound Power Corporation					
8	Reporting period: 2003 Taxation Year's start date:					
10 11	Taxation Year's end date: Number of davs in taxation vear:		365	davs		
12	Please enter the Materiality Level :		8,202	< - enter materiality	laval	
14	(0.25% x Rate Base x CER) (0.25% x Net Assets)	Y/N Y/N	0,202	Citto materially	iordi	
16	Or other measure (please provide the basis of the amount)	Y/N Y/N				
18	Does the utility carry on non-wires related operation? (Please complete the guestionnaire in the Background guestionnaire		eet.)			
19 20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21 22	Section B: Financial statements data:					
23 24	Input unconsolidated financial statement data submitted with Tax returns. The actual categories of the income statements should be used.					
25 26	If required please change the descriptions except for amortization, interest	expens	se and provision for	income tax		
27 28	Please enter the non-wire operation's amount as a positive number, the pr in the "non-wires elimination column" as negative values in TAXREC and 'i	ogram a	automatically treats : 22.	all amounts		
29 30	Income:					
31	Energy Sales Distribution Revenue	+	1.574.446		1.574.446	
33	Other Income Miscellaneous income	+	58.785		58.785 0	
35 36	Revenue should be entered above this line	+			0	
37	Costs and Expenses:					
39 40	Cost of energy purchased Administration	-	346,453		0 346,453	
41	Customer billing and collecting	Ė	376.330 213.847		376.330 213.847	
43	Operations and maintenance Amortization Operation Control Toy	Ė	329,475		329,475	
44 45	Ontario Capital Tax Employee Future Benefits	Ė	4,128		4,128 0	
46 47	Restatement adjustment	Ė			0	
48		Ė			0	
50 51	Net Income Before Interest & Income Taxes EBIT Less: Interest expense for accounting purposes	-	362.998 176,444	0	362.998 176,444	
52 53	Provision for payments in lieu of income taxes Net Income (loss)	-	4,188 182,366	0	4,188 182,366	
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 58	From T2 Schedule 1 BOOK TO TAX ADDITIONS:					
59 60	Provision for income tax Federal large corporation tax	+	4,188	0	4,188 0	
61 62	Depreciation & Amortization Employee benefit plans-accrued, not paid	+	329,475	0	329,475 0	
63 64	Tax reserves - beginning of year Reserves from financial statements- end of year	+	0	0	0	
65 66	Regulatory adjustments on which true-up may apply (see A66) Items on which true-up does not apply "TAXREC 3"	+	8,364	0	8,364	
67 68	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	0	0	0	
69 70	Subtotal		342,027	0	342,027	
71 72	Other Additions: (Please explain the nature of the additions)		542,021	·	042,021	
73 74	Recapture of CCA Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+	0		0	
73 74 75 76 77 78 79		+			0	
79	T-t-1 Other Addition	+	0	0	0	
81 82	Total Other Additions	-		·		
82 83 84	Total Additions	-	342.027	0	342.027	
85 86	Recap Material Additions:		0	0	0	
87			0	0	0	
88 89			0	0	0	
90	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94 95	Total Other Additions		0	0	0	
96 97	BOOK TO TAX DEDUCTIONS: Capital cost allowance	-	274.394		274.394	
98 99	Cumulative elioible capital deduction Employee benefit plans-paid amounts	-	42.231		42.231 0	
100	Items capitalized for regulatory purposes Regulatory adjustments:	-			0	
102	CCA other deductions				0	_
104	Tax reserves - end of year Reserves from financial statements- beginning of year		0	0	0	
106	Contributions to deferred income plans Contributions to pension plans				0	
108	Items on which true-up does not apply "TAXREC 3" Interest capitalized for accounting deducted for tax		0	0	0	
110	Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2	÷	0	0	0	
112 113 114	Subtotal	-	316.625	0	316.625	
114	Other deductions (Please explain the nature of the deductions)	Ė	310.025	0	310.025	
115 116	Gain on disposal of assets	Ė			0	
117 118 119		Ė			0	
120 121	Total Other Deductions	Ė	0	0	0	
121 122 123 124	Total Deductions	-	316.625	0	316.625	
124	Recap Material Deductions:					
125 126			0	0	0	
127 128 129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level Total Other Deductions		0	0	0	
133	TAXABLE INCOME	-	207.768	0	207.768	
135 136	DEDUCT: Non-capital loss applied positive number	-	207,768		207,768	
137	Net capital loss applied positive number				0	
139	NET TAXABLE INCOME		0	0	0	
141 142	FROM ACTUAL TAX RETURNS Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return) -CMT Subtotal	+	4.188 4.188	0	4.188 4.188	
145	Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	-	4,188 4,188	0	0 4,188	
147 148	FROM ACTUAL TAX RETURNS		.,.50		.,,,,,,	_
149	Net Federal Income Tax Rate (Must agree with tax return) Net Ontario Income Tax Rate (Must agree with tax return)	F	#DIV/0! #DIV/0!		#DIV/0! #DIV/0!	
151 152	Net Ontario Income Tax Rate (Must agree with tax return) Blended Income Tax Rate	Ε.	#DIV/0!		#DIV/0!	
153 154	Section F: Income and Capital Taxes					
155	RECAP Total Income Taxes		4,188	0	4,188	
156 157 158	Total Income Taxes Ontario Capital Tax	+	7.223	0	7.223	
159	Federal Large Corporations Tax	+	11 411		11 411	
160 161	Total income and capital taxes	-	11,411	0	11,411	

	А	В	С	D	E	F
1	0	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	Utility Name: Parry Sound Power Corporation		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Parry Sound Power Corporation					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13	- J				0	
14	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	(-			
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line				, and the second	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36	Total (carry forward to the 17 but 25 werkender)			Ŭ	Ü	
37						
	FINANCIAL STATEMENT RESERVES					
39						
-	Beginning of Year:					
41	Dogg or roan				0	
42					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Employee Future Benefits				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51	Total (carry forward to the TANITEO WORKSHEEL)		0	0		
	End of Year:					
53	and of four				0	
54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	Employee Future Benefits				0	
	Other - Please describe				0	
61	Outer - Flease describe				0	
	Insert line above this line				U	
			0	0		
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
04						

		-			-	- 1
1	A	В	С	D	E	F
3	0	LINE	M of F Corporate	Non-wires Eliminations	Wires-only Tax	
4 5	(for "wires-only" business - see s. 72 OEB Act) RATEPAYERS ONLY		Tax Return		Return	
6	Shareholder-only Items should be shown on TAXREC 3		Retuill		Version 2009.1	
7 8	Utility Name: Parry Sound Power Corporation					
9 10	Reporting period: 2003 Number of days in taxation year:		365			
11	Materiality Level:		8,202			
13						
14 15	Section C: Reconciliation of accounting income to taxable income					
16 17	Add:	+			0	
18	Gain on sale of eligible capital property	+			0	
19 20	Loss on disposal of assets Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
23	Scientific research expenditures deducted	+			0	
24 25	per financial statements Capitalized interest	+			0	
26 27	Soft costs on construction and renovation of buildings Capital items expensed	+			0	
28 29	Debt issue expense Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31 32	Interest paid on income debentures Recapture of SR&ED expenditures	+			0	
33 34	Share issue expense Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36 37	Provision for bad debts	+			0	
38 39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41	Share of Partnership Income	+			0	
43 44		+			0	
45 46	Total Additions	+	0	0	0	
47			0	0	0	
48 49	Recap of Material Additions:		0	0	0	
50 51			0	0	0	
52			0	0	0	
53 54			0	0	0	
55 56			0	0	0	
57 58			0	0	0	
59			0	0	0	
60 61			0	0	0	
62 63			0	0	0	
64			0	0	0	
65 66			0	0	0	
67 68			0	0	0	
69			0	0	0	
70 71			0	0	0	
72 73			0	0	0	
74 75			0	0	0	
76			0	0	0	
77 78	Total Material additions Other additions less than materiality level		0	0	0	
79 80	Total Additions		0	0	0	
81 82	Deduct:					
83	Gain on disposal of assets per f/s Dividends not taxable under section 83 Terminal loss from Schedule 8				0	
84 85	Terminal loss from Schedule 8 Depreciation in inventory, end of prior year	-			0	
85 86 87	Scientific research expenses claimed in year from Form T661 Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89 90	Equity in income from subsidiary or affiliates Contributions to a qualifying environment trust				0	
91 92	Other income from financial statements				0	
93 94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)				0	
96 97	Non-taxable load transfers		0		0	
98	Total Deductions	-	0	0	0	
100		-	U		U	
101	Recap of Material Deductions:		0	0	0	
103 104			0	0	0	
105			0	0	0	
107			0	0	0	
108 109			0	0	0	
109 110 111			0	0	0	
112			0	0	0	
113 114 115			0	0	0	
115 116			0	0	0	
117			0	0	0	
118 119	Total Deductions exceed materiality level		0	0	0	
	Other deductions less than materiality level Total Deductions		0	0	0	
122						

	A	В	С	D	Е	F
1	Λ		Ü	D	_	
2	0					
3						
	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
9	Utility Name: Parry Sound Power Corporation				Version 2009.1	
10						
_	Reporting period: 2003					
	Number of days in taxation year:		365			
13						
14						
15	Continue Co Brown Winting of annual time in a new to towards in a new					
	Section C: Reconciliation of accounting income to taxable income Add:					
18						
	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property Loss from joint ventures or partnerships	+			0	
	Loss from joint ventures or partnerships Deemed dividend income	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
	Depreciation in inventory -end of year	+			0	
	Depreciation and amortization adjustments	+			0	
_	Dividends credited to investment account	+			0	
	Non-deductible meals Non-deductible club dues	+			0	
_	Non-deductible automobile costs	+			0	
	Donations - amount per books		0		0	
	Interest and penalties on unpaid taxes				0	
	Management bonuses unpaid after 180 days of year end				0	
	Imputed interest expense on Regulatory Assets				0	
39 40		+			0	
	Transition costs - recovered	+	8,364		8,364	
42	Transition costs - recovered	+	0,001		0,001	
	Other Additions: (please explain in detail the nature of the item)	+			0	
	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46	T () A 1194	+	0.004		0.004	
47 48	Total Additions on which true-up does not apply	=	8,364	0	8,364	
_	Deduct:					
50						
	CCA adjustments	-			0	
52	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	Gain on disposal of assets per financial statements	-			0	
	Financing fee amorization - considered to be interest expense for PILs Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-			0	
_	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63 64		-			0	
65		-			0	
66		-			0	
67		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
69		-			0	
	Provincial Capital Tax	-			0	
71 72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0		
74						
75						

	٨	В	С	Ь	Е	F		- 11	<u> </u>	
1	A	В	C	D		F	G	Н		
-	Corporate Tax Rates				٧	ersion 2009.	1			
	Utility Name: Parry Sound F	Power Corp	oration							
5 6	Reporting period: 2003									
7						Table 1				
	Rates Used in 2002 RAM PI	Ls Applicat	ions for 2002			Table I				
	Income Range		0		200,001					
	RAM 2002		to		to	>700000				
11	Income Tax Rate	Year	200,000		700,000					
	Proxy Tax Year	2002								
	Federal (Includes surtax)		13.12%		26.12%	26.12%				
15	and Ontario blended		6.00%		6.00%	12.50%				
16	Blended rate		19.12%		34.12%	38.62%				
17	Capital Tax Rate		0.300%							
19	LCT rate		0.300%							
20	Surtax		1.12%							
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
	Federal Large	MAX								
	Corporations Tax	\$10MM	10,000,000							
22	Exemption **	·	a milde de	Deend	revis d 000	2 D 4 5 4				
	**Exemption amounts	must agre	e with the	⊳ oarα-app	rovea 200	Z KAW				
23	PILs filing									
24										
25	Expected Income Tax Batas	e for 2002 -	nd Canital Ta	v Evametic-	e for 2002	Table 2				
	Expected Income Tax Rates Income Range	s for 2003 a	nd Capital Ta	x exemption	200,001	Taxable				
28	Expected Rates		to		to	Income				
29		Year	200,000		700,000	\$327,891				
	Income Tax Rate	2002								
	Current year Federal (Includes surtax)	2003 2003								
	Ontario	2003								
34	Blended rate	2003				21.90%				
35	Conital To D-1-	0000	0.0000/							
	Capital Tax Rate LCT rate	2003 2003	0.300% 0.225%							
	Surtax	2003	1.12%							
	Ontario Capital Tax	MAX	5,000,000							
	Exemption *** 2003	\$5MM	3,000,000							
	Federal Large Corporations Tax	MAX	10,000,000							
40	Exemption *** 2003	\$10MM	10,000,000							
	***Allocation of exemp	tions mus	t comply w	ith the Boa	ard's instr	uctions				
42	regarding regulated ac									
43										
44										_ [
45 46										- [
47										-
48										_
49 50										_
51										-
52									<u> </u>	_
53										_
54 55										_
56										-
57										_
58										_
59										-
60										
61				•		. '				
										_

	Α	В	С	D	Е	F	G	Н	I	J	K	L	M	Ν	0
1	0														
2	Analysis of PILs Tax Account	1562:	•												
3	Utility Name: Parry Sound Pov	ver Co	orporation												Version 2009.1
	Reporting period: 2003				Sign Convention	on: +	for increase;	- for	decrease						0
5															
6															
7															
	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004	_	01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
	Board-approved PILs tax	+/-													
12	proxy from Decisions (1)						0		0		0		0		0
	PILs proxy from April 1, 2005														
13	- input 9/12 of amount														0
	True-up Variance	+/-													
14	Adjustment Q4, 2001 (2)														0
	True-up Variance	+/-													
15	Adjustment (3)														0
	Deferral Account Variance														
16	Adjustment Q4, 2001 (4)														0
	Deferral Account Variance	+/-													
	Adjustment (5)														0
	Adjustments to reported	+/-													
18	prior years' variances (6)														0
19	Carrying charges (7)	+/-													0
	PILs billed to (collected	-													
20	from) customers (8)		0										1		0
21					0					J					0
22	Ending balance: # 1562		0		0		0		0		0		0		0

Uncollected PILs

28

36

37

38 39

40 41

54

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

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

- (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 33 34 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 35 If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- 42 2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 43 44 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 47 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 49 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- 51 (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. 52 53 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- 56 57 (7) Carrying charges are calculated on a simple interest basis.
- 58 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 59 components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 60 61 62 63 64 65 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
 - 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.