	A	В	С	D	E
1	,		Ŭ		Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Parry Sound Power Corporation			Colour Code	
4	Reporting period: 2004			Input Cell	
5 6	Days in reporting periods	366	days	Formula in Cell]
7	Days in reporting period: Total days in the calendar year:	366	days		
8	rotal days in the oalendar year.	000	uayo		
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate		3.69.1		
12	tax (and therefore subject to PILs)?		Y/N		
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)		.,		
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	_	
	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%	
	Accounting Year End		Date	12-31-2004	
20	MARR NO TAX CALCULATIONS				Pogulatory
	SHEET #7 FINAL RUD MODEL DATA				Regulatory Income
	(FROM 1999 FINANCIAL STATEMENTS)				moonic
	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			6,561,667	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
	. ,				
70	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			562,007	
43	1999 return from RUD Sheet #7			21,594	21,594
45	Total Incremental revenue			540,413	
	Input: Board-approved dollar amounts phased-in			010,110	
47	Amount allowed in 2001			180,138	180,138
48				180,138	180,138
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			_	0
50 51	unless authorized by the Minister and the Board) Amount allowed in 2005 - Third tranche of MARR re: CDM			_	0
52	Other Board-approved changes to MARR or incremental revenue			-	0
53	2 miles 2 miles approved and 1900 to 111 miles of interesting to 100 miles				0
54	Total Regulatory Income				381,870
55					
	Equity			3,280,834	
57 58	Return at target ROE			324,146	
59	Notain at larget NOL			324,140	
	Debt			3,280,834	
61					
_	Deemed interest amount in 100% of MARR			237,860	
63	Dhoop in of interest - Voor 1 (2001)			05.000	
65	Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61			85,380	
	Phase-in of interest - Year 2 (2002)			161,620	
67	, ,			701,020	
	Phase-in of interest - Year 3 (2003) and forward			161,620	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
_	Phase-in of interest - 2005			237,860	
71					
72					

Ħ	A A PIL 4 DEFERRAL AND VARIANCE ACCOUNTS	B ITFM	C Initial Estimate	D	E M of F Film	F M of F Film	G Tav Returns	н
Í	PIL 4 REFERRAL AND VARIANCE ACCOUNTS (Windown) Purchase - one Tah TANRECT		, somile		Variance K.C	Varianna Penlanation		
5 8 2	8 Ibility Name: Parry Sound Power Corneration Reportion period: 2004						Version 2009 1	Ħ
3	Davs in renorting period:	988	davs				Column Brought	
10 11	Total claus, in the calendar year-	366	rlave S		9		TAXREC S	
13	D CORPORATE INCOME TAYES							
16 17	Berulatory Net Income REGINEO ESS	-1	351 847		.97.999		314 514	
18 19	BOOK TO TAX AD HISTMENTS Artificions Decreciation & Amortisation	-	408.012		.70 943		227.060	
21 22	Employee Benefit Plans , Account Not Paid Tay recenses , hericains of year	3			0		0	
24 25	Rosenes from financial statements - end of year Remisters Advisements - increase in income Other Additions (See Tab antitled "TAYREC")	- 5	8.064		-8.064		0	Н
26 27	"Material" Itams from "TAXREC" worksheet Other Arktimes (not "Material" "TAXREC" "Material Itams from "TAXREC 2" worksheet	6			0		0	
29 30	Other Additions (not "Material") "TAXREC 2"	. A			3.189		3.189	
31 32	Reductions: Insur notifice numbers	,	204 440		m me		202.024	
34 35	tames roce amounts arm of the Emphasis Rocality Inc. Same Controller for Rocalisation Purposas	*	201110		0		0	
36 37 38	Monthly the Manufacture of the Control of the Contr	10	148 913		07 FR1		176 444 0	
39 40	Basenac from Snarrial statements - henimins of year Contributions to deferred income plans	3			0		0	
42 43	Contributions to nending plans interest rapidstant for accounting for plans that tay Other Desturtions (See Tah artified "TAXREC")	11			0		0	
44 45	"Motorial" Items from "TAXREC" worksheet Other Derkinfore (not "Material") "TAXREC"	12			0		0	
47 48	Other Desturbing (not "Material" "TAXREC 2" Items on which true-up does not apply "TAXREC 3"	19			0		0	
49 50	TAXABLE INCOME/ (LOSS)		327.891		-113.467	Before loss C/F	214,434	
52 53	BLENDED INCOME TAX RATE Tax Rates	13	34.12%		-21.6788%		12.44%	
54 56	REGULATORY INCOME TAX		111.876		-88.264	Actual	23.612	П
57 58	Miscellaneous Tax Credits	14			0	Actual	0	
60 61	Total Regulatory Income Tax		111.876		-88.264	Actual	23,612	Ħ
62 63	B CAPITAL TAXES							Ħ
65 66	Ontario Risco	15	8 581 887		.78.985		8.482.802	Ħ
67 68 69	Loss Frametine Tavahla Canital	16	5 000 000 1 581 687		-1 448 401 -1 527 266		3 551 500 2 931 203	Ħ
70 71	Rose	17	0.9000%		0.0000%		0.5000%	Ħ
	Contario Canital Tav Forbaral I arms Communitations Tav		4 885		4 100		8 704	Ħ
75 76	Race Loss Franceiro Tavahlo Canital	18 19	6.561.667 10.000.000		.6 581 687 .10 000 000 .16 581 687		0	Ħ
78 79	Tavohio Control	20	0.2250%		.16 561 667 .0 0250%		0.2000%	Ħ
80 81 82	Censo Ameure of LCT haline cursor effect (Tovahla Canital v Rate) Loos: Farland Sustav 1 196, v Tavahla Innese	21	0		n 2 an2		9.40	Ħ
83 84	Size I CT		0		.2 402		0	
86 87	IN INCLUSION IN RATES							
88 89	become Tay Rate isself for nesse, in (pyrhyte cintay) become Tay (newy tay is prospertien)	22	94 194 180 810			Actual 2004	23.612	
91 92	Control Tay Inner tay is minospiciant (ICT femire tay is minospiciant (Interior tay is minospiciant since it is deductive) (Interior Canital Tay Inn minospic since it is deductive)	23 24	4 685			Actual 2004 Actual 2004	9 704 8 704	
93 94	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	174.504			Actual 2004	22 406	
96 97	RAM DECISION		117.00			PAGE 2007	34.50	
98 99	IV) FUTURE TRUE-UPS N a) Calculation of the True-up Variance				DR/(CR)			
102	IV) FUTURE TRUE-UPS IV at Cabustation of the True-up Variance In Additions: Emcloree Barnet Plans - Accrued. Not Paid Tax reserves diducted in prior vaiar	3			0			
104	Donoruse from Securial extraoruses and of year	4 5			-8.064			Ш
108	Reculatory Advisorments Other addisores "Maserial" Items TAXREC Other addisores "Maserial" Items TAXREC 2 In Deductions - costinue rounders	6			0			
100	Employee Benefit Plans - Paid Amounts	8 9			0			
112	Renulatory Adjustments Inserest Adjustments (See Below - cell (206) Tax reserves claimed in current year	10 11 4			0			Ш
116	Resenses from F/S beginning of year Contributions to deferred income plans Contributions to pension plans	3			0			П
112	Coher deductions "Moseries" Items TAXREC Other deductions "Moseries" Item TAXREC 2	12			0			П
110 120	Total TRLE-LIPS halone tox affect	26		_	.8.084			
122	bronne Tay Rate			*	20 78%			Н
126	Loss Macallaneous Tox Crarito	14			.1 8/4			
129 129	Total locome Tay on Time and				-1 674			
130	TRUELIP VARIANCE AD HISTMENT				10.64%			
199	W b) Calculation of the Deferral Account Variance caused by				-2 083			Н
134 136	changes in legislation							
138 138	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial ecrimato relumn).			-	327,891			Н
139 139 139 140 141 142	REVISED CORPORATE INCOME TAY RATE REVISED REQUILATORY INCOME TAY			× =	20.78%			Ħ
141 142	Loss: Raulcarl Micrallanerus Tav Charlits				0			
	Total Revised Renulatoru Innomo Tav				68.070			Ħ
144 145 147 148 149 150 150 154 156 156	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C68)				111.876			П
149 149	Regulatory Income Tax Variance			-	-43.806			Ħ
150 151 152	Ontario Canital Tax Base Less: Exemption from tab Tax Rates. Table 2, cell C39				6.581.867 5.000.000			Ħ
153 154	Revised deemed taxable contail				1.581.667			Ħ
158 157	Notice - 1 (b) 1 (archallas cell C38) Revised Ortario Capital Tax Lass: Ortario Capital Tax reported in the initial estimate column (Cell C70)			÷	4.685			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70) Renviatory Ontario Canital Tay Varianne			-	4.685			Ы
160 161	Forteral I CT Bace				6.561.667			Ħ
163 164	Race Lose: Evernation from tah Tav Rates: Tahlo 2 vall C&A Roulsed Federal I CT			÷	50.000.000 -43.438.333			
	Rote (as a result of lanislative rhannes) tah 'Tay Rotes' nell CSR				0.3000%			Ħ
168 169	Carocs Amount Locs: Forland curtor Doubled May LCT			-	0 2.402 0			Ħ
171 172	Less: Federal LCT included in rates				0			
173 174 175	Remisser Federal I CT Variance Artical Income Tay Rete scort for moccum (early) custor)			Ë	19.64%			Ħ
176 177	Income Tay (rencontain)				-54.512			Ħ
179 180	Ontario Canital Tay			+	0			Ħ
181 182 183	DEFERRAL ACCOUNT VARIANCE AN HISTMENT TRUE-LIP VARIANCE from cell 1139			-	-54.512 -2.083			Ħ
184 185	Total Deferral Account Fator (Positive Entry = Dehit) (Deferral Account Variance + Trus-up Variance)				-56,596			
188 188 188	summer of Account Variance + True-up Variance)							Ħ
189 190	VI INTEREST PORTION OF TRUE-LIP Variance Caused Rv Phase in of Deemed Date							
192 193	Variance Carrent Rv Phase.in of Deamart Dete Total risement interest (RECUSED) Interest nhaserLin (Call CWS)				237,860			Ħ
194 196 198					161.620 76.240			Ħ
197 198	Variance due to chase in of delt commonant of MLRR in reasonment in the Reason decision.				/6.240			Ħ
199 200 201	Other Interest Variance (i.e. Rennwinn I availe Above Deemed Robe nor Rate Handbrook) Interest debried on MAF Elin (Fol KYRK41) Total deemed Interest (RECUNEY) DRO)				176,444			Ħ
202 203					237.860			Ħ
205 206 206	Usrianne naskari hu avnoss richt Istarast Atlastiment for Tay Purnoses (narry forward to Call H19)				0			Ħ
208	Total Interest Variance			Ē	76,240			Ē
210								
_								

10 200 10 10 10 10 10 10							
Part		Δ 1	р	· ·	n	F	F
1	1	0		M of F	Non-wires	Wires-only	É
	3			Tax	Eliminations		
Section 1.5 Commission of the commission of	5			Return		Version 2009.1	
Security Company Com		Section A: Identification: Utility Name: Parry Sound Power Corporation					
Tambing	8 9	Reporting period: 2004					
Proceedings		Taxation Year's end date:		366	dave		
14. A. 19. A. 1							
10 Control	14	(0.25% x Rate Base x CER)		8.202	< - enter materiality	/ level	
		Or other measure (please provide the basis of the amount)	Y/N				
Section B. Transport State of the Transport State	17	Does the utility carry on non-wires related operation? (Please complete the guestionnaire in the Background guestionnair					
The Particular Sections of the process and control and Part of the Particular Section of the process and control and Part of the Particular Section of the process and control and Particular Section of the process and control and Particular Section of the Particular Section of	19						
April Apri	21						
A required mass change for amount of a month and process and an extended in the count as	23	Input unconsolidated financial statement data submitted with Tax return	IS.				
December	24 25	The actual categories of the income statements should be used. If required please change the descriptions except for amortization, interes	est expe	ense and provision	for income tax		
	26	Please enter the non-wire operation's amount as a positive number, the	prograi	n automatically tres	its all amounts		
1.	28	in the "non-wires elimination column" as negative values in TAXREC and	TAXE	EC2.			
1. 1. 1. 1. 1. 1. 1. 1.		Income:	_			0	
March		Distribution Revenue	+	1.520.938		1.520.938	
Contact and Expensions	34		+	70,076			
Content and Exercises:		Revenue should be entered above this line	+			0	
2. Constitution		Costs and Expenses:					
4		Cost of energy purchased	-	418 707		418 797	
A	41	Customer billing and collecting		265,457		265,457	
A	43	Amortization	Ė	337.069		337.069	
Millionen Before Interest A Income Taxes EBIT	45	Ontario Capital Tax	Ė	8,755		0	
No. Income Refere Interest A Recome Table	46		Ŀ				
20	48		-				
20	50	Net Income Before Interest & Income Taxes EBIT	-		0		
The Personal Power of the Notice County in the Art of Property of the International Content of the Art of Property of the International Content of the Art of Property of the International Content of Property		Provision for payments in lieu of income taxes	Ė	23.612		23,612	
Section C. Recognition of accounting income to taxable income	53	(The Net Income (loss) on the MoF column should equal to the net income	-	114.458	0	114.458	
7. Prom 17. 2-Scholide	54 55	(loss) per financial statements on Schedule 1 of the tax return.)					
Section Company Comp	56 57	Section C: Reconciliation of accounting income to taxable income From T2 Schedule 1	E				
December December		BOOK TO TAX ADDITIONS:	_	22.642	^	22 642	
Section	60	Federal large corporation tax		0		0	
6. Tour reserves	62	Employee benefit plans-accrued, not paid	+		0	0	
5. Reposition's advantaments on which they are may apply time A669 1	63	Tax reserves - beginning of year	+				
Methods additions from Name Market Co.		Regulatory adjustments on which true-up may apply (see A66)	+			0	
Special Content	67	Material addition items from TAXREC 2	+	0	0	0	
Other Additions (Phosse explain the nature of the additions)	69		+				
1.00 1.00	71	Subtotal		363.870	0	363.870	
2	72		+			0	
Total Coher Additions	74	Non-deductible meals and entertainment expense	+			0	
Total Other Additions	76	Cabital items expensed		0		0	
Total Coffee Additions	78		+			0	
Total Additions		Total Other Additions	+	0	0		
Recombitation Anticology	81		_		0		
1.00	83			005.070	, and the second	500.010	
28	85	Recab Material Additions:				0	
25 Total Other delificons -materiality level	87						
Total Other additions -materially level	88			0	0	0	
22	90						
Second Chine Additions		Total Other additions >materiality level		0	0	0	
See Proceedings Proceedi	94						
Section Sect	96	BOOK TO TAX DEDUCTIONS:					
00	98	Cumulative eligible capital deduction	Ë				
10 Recombination additionals		Employee benefit plans-paid amounts	E			0	
100	10	Regulatory adjustments :	Ė			0	
10		other deductions	Ė				
Descriptions to generation plants Description Descri		Reserves from financial statements- beginning of year	Ė	0	0	0	
128 Interest canabase for accounting obligation 0 0 0 0 0 0 0 0 0		Contributions to pension plans	Ė			0	
11	108	Items on which true-up does not apply "TAXREC 3"	F	0	0	0	
Substitute	110	Material deduction items from TAXREC 2	Ė			0	
11	112		Ė				
11 Chart fatable donations - tax basis	114	Other deductions (Please explain the nature of the deductions)	=	263,894	0		
11	116	Charitable donations - tax basis	E				E
132	117		-			0	
Total Deductions	119	Total Other Deductions	-			0	
22 Record Material Deductions:	12		Ē				
12	123		E	263.894	0	263.894	
12	124	Recap Material Deductions:	F	0	0	0	H
12	128			0	0	0	
132 Fost Other Destuctions accord materially level 0	128			0	0		
1.52 Total Other Deductions 0 0 0 0 0 0 0 0 0	130			0	0		
TAXABLE INCOME	13						
130 DEDUCT	133		-				
132 Net capital loss applied	135	DEDUCT:	É		U		
137.879 0 137.879 0 137.879 137.87	137	Net capital loss applied positive number positive number	Ė	76,555		0	
149		NET TAXABLE INCOME		137,879	. 0		
14,0 Net Pederal Income Tax Must agree with tax return)	140	FROM ACTUAL TAX RETURNS				-	
23.612 23.612 1.0	142	Net Federal Income Tax (Must agree with tax return)	+				
1.56 Total Income Tax	144	Subtotal	Ť	23.612		23.612	
147	146		Ė		0		
150 Net Ontario Income Tax Rate (Must acree with tax return)	143 148						
15. Blended Income Tax Rate 12.44% 12.44%	149 150	Net Ontario Income Tax Rate (Must agree with tax return)	E	4.01%		4.01%	
153 Section F: Income and Canital Taxes	15	Blended Income Tax Rate		12.44%			
153 RECAP	153	Section F: Income and Capital Taxes					
157 Ortatic Capital Tax	158			A		pa a	
158 Federal Larce Corporations Tax + 0 0 150 Total Income and capital taxes = 32.466 0 32.466	157	Ontario Capital Tax	+	8,794	0	8,794	
160 Total income and capital taxes = 32 406 0 32 406	158 159	Federal Large Corporations Tax	+	0			
	160	Total income and capital taxes	-	32.406	0	32.406	E

	A	T	В	С	D	Е	F
1		0	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves	Ť		Corporate	Eliminations	Tax	
3	3			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: 2004						
9							
10	TAX RESERVES						
11							
	Beginning of Year:						
13						0	
	Reserve for doubtful accounts ss. 20(1)(I)					0	
	Reserve for goods & services ss.20(1)(m)					0	
	Reserve for unpaid amounts ss.20(1)(n)	4				0	
17	Debt and share issue expenses ss.20(1)(e)	4				0	
	Other - Please describe	+				0	
19 20	Other - Please describe	+				0	
21		+				0	
	Total (carry forward to the TAXREC worksheet)	+		0	0	0	
23	Carry forward to the TAXNEC worksheet)	+		U	U	U	
	End of Year:	+					
25	Life of Teal.	+				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	T				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							
	FINANCIAL STATEMENT RESERVES						
39							
	Beginning of Year:					_	
41		+				0	
42		4				0	
	Environmental	+				0	
	Allowance for doubtful accounts	+				0	
	Inventory obsolescence Property taxes	+				0	
	Employee Future Benefits	+				0	
	Other - Please describe	+				0	
49	Outor - Liedae deachine	+				0	
	Total (carry forward to the TAXREC worksheet)	+		0	0	0	
51	Total (carry forward to the TANKEO WORKSHEEL)	+		U	U	U	
	End of Year:	+					
53	End of Tour	+				0	
54		十				0	
	Environmental	十				0	
	Allowance for doubtful accounts	T				0	
	Inventory obsolescence	T				0	
	Property taxes	1				0	
	Employee Future Benefits					0	
	Other - Please describe	╧				0	
61						0	
62	Insert line above this line						
63	Total (carry forward to the TAXREC worksheet)			0	0	0	
64							

No. No. No	_						
Section Company Comp	1	Α	В	С	D	Е	F
A DETERMINED AND ADMINISTRATION OF THE MEMON Version 2009.1 Version		0	LINE				
Descriptions with minimal blood for others on TAMBES 3		(for "wires-only" business - see s. 72 OEB Act)			Eliminations		
A Recent and Carlot (2004) Recented and of days in season varies:		RATEPAYERS ONLY					
Barbotic reported. 2004	7					- 01 31011 2003.1	
100 Materials 100		Utility Name: Parry Sound Power Corporation Reporting period: 2004					
1.3	10	Number of days in taxation year:					
Section C. Reconsiliation of accounting income to tastella income Comment Comment		Materiality Level:		8,202			
1.5 Section C. Reconciliation of association second to Israelian income							
17	15						
1.6 Service response of page the capital argument		Add:	+			0	
20 Charles decembers (Charles I benefits responsers) 1 Tandels certified upware developed 21 Secretific responsers dependiture developed 22 Secretific responsers dependiture developed 23 Secretific responsers dependiture developed 24 Secretific responsers dependiture developed 25 Secretific responsers dependiture developed 26 Secretific responsers developed 26 Secretific responsers developed 27 Secretific responsers developed 28 Secretific responsers developed 29 Secretific responsers developed 29 Secretific responsers developed 20 Secretific responsers developed 20 Secretific responsers developed 20 Secretific responsers developed 21 Secretific responsers developed 21 Secretific responsers developed 29 Secretific responsers developed 20 Secretific responsers developed 20 Secretific responsers developed 20 Secretific responsers developed 21 Secretific responsers developed 21 Secretific responsers developed 22 Secretific responsers developed 23 Secretific responsers developed 20 Secretific responsers developed 24 Secretific responsers developed 25 Secretific responsers developed 26 Secretific responsers developed 26 Secretific responsers developed 27 Secretific responsers developed 28 Secretific responsers developed 29 Secretific responsers developed 20 Sec	18		+			0	
2. Transfer control game and a c			+				
2.5 State State of construction and resolution of buildings 1.	21		+			0	
2. Amount of the formation of the fo		Scientific research expenditures deducted	+				
28. Sent costs on construction and recovering of hydridge. 29. Financiar Less debutked in Docks. 20. Financiar Less debutked in Docks. 20. Financiar Less debutked in Docks. 21. Financiar Less debutked in Docks. 22. Financiar Less debutked in Docks. 23. Financiar Less debutked in Docks. 24. Less debutked in Docks. 25. Financiar Less debutked in Docks. 26. Less debutked in Docks. 27. Less debutked in Docks. 28. Less debutked in Docks. 29. Less debutked in Docks. 29. Less debutked in Docks. 20. Less debutked in Docks. 20		per financial statements	+				
20 Defect on expenses	26	Soft costs on construction and renovation of buildings	+			0	
22 Financia I lead and a control from place 1 1 1 1 1 1 1 1 1			+				
1	29	Financing fees deducted in books	+			0	
2. Rescuent of SRAED expenditures			+				
3		Recapture of SR&ED expenditures	+			0	
35 Amounts received in respect of qualifying environment flust	34	Write down of capital property	+			0	
1	35	Amounts received in respect of qualifying environment trust	+			0	
1	37	I TOVISION FOR DAIL URDIS	+			0	
10	38		+				
## 1	40		+			0	
### 1		Income - joint ventures / partnerships	+				
Second Company Compa	43		+			0	
Total Additions	45		+				
### Additions:	46	Total Additions	=	0	0	0	
S	48	Recap of Material Additions:					
1							
\$5 0 0 0 0 0 0 0 0 0	51			0	0	0	
1						0	
0	54			0	0	0	
Decided Deci							
0	57			0	0	0	
0							
Committee Comm							
68							
68							
68	65			0	0	0	
Second S							
0							
73 73	70			0	0	0	
174							
176	73			0	0	0	
Total Material additions							
73 Total Additions less than materiality level		Total Material additions		0	0	0	
Solution	78	Other additions less than materiality level		0	0	0	
81 Deduct:	79 80	Total Additions		0	0	0	
State Committee Committe	81	Deduct:					
24 Terminal loss from Schedule 8 -	83	Dividends not taxable under section 83				0	
Section Sect	84 85	Terminal loss from Schedule 8	-				_
Second income of joint venture or partnership	86	Scientific research expenses claimed in year from Form T661	Ė			0	
Security in income from subsidiany or affiliates 0 0 0 0 0 0 0 0 0			-				
91 Other income from financial statements -	89	Equity in income from subsidiary or affiliates	-			0	
92 93 94 95 96 97 97 98 98 99 10a 0	91	Other income from financial statements					
94	92		-				_
\$6. 2003 OCT included in 2004 income tax	94		Ė			0	
98		Other deductions: (Please explain in detail the nature of the item) 2003 OCT included in 2004 income tax	-				
99 Total Deductions	97		-			0	
100 101 102 103 103 103 104 103 104 105	99	Total Deductions	-	0	0		
102							
104 0 0 0 0 0 0 0 105 105 0 0 0 0 0 0 106 0 0 0 0 0 0 106 0 0 0 0 0 0 108 0 0 0 0 0 0 0 0 0	102						
10S							
107	105			0	0	0	
0							
110	108			0	0	0	
112	110					0	
118	111					0	
114	113			0	0	0	
116	114			0	0	0	
118	116			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	117 118						
121 Total Deductions 0 0 0	119			0	0	0	
122	121	Other deductions less than materiality level Total Deductions					
	122						

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1	~		Ů		_	
2	0					
3	Observation and the second has abserve as TAVDEO	LINE	M of F	Non-wires	Wires-only	
	Shareholder-only Items should be shown on TAXREC 3	LIINE	Corporate	Eliminations	Tax	
	ITEMS ON WHICH TRUE-UP DOES NOT APPLY			Eliminations	-	
7	(for "wires-only" business - see s. 72 OEB Act) 0		Tax Return		Return	
	Utility Name: Parry Sound Power Corporation		rtotani		Version 2009.1	
9	·					
10						
	Reporting period: 2004 Number of days in taxation year:		366			
13	Number of days in taxation year:		300			
14						
15						
	Section C: Reconciliation of accounting income to taxable income					
17 18	Add:					
	Recapture of capital cost allowance	+			0	
	CCA adjustments	+			0	
	CEC adjustments	+			0	
	Gain on sale of non-utility eligible capital property	+			0	
	Gain on sale of utility eligible capital property	+			0	
	Loss from joint ventures or partnerships 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 Non-deductible meals	+			0	
	Non-deductible club dues	+			0	
	Non-deductible automobile costs	+			0	
	Donations - amount per books				0	
	Interest and penalties on unpaid taxes				0	
	Management bonuses unpaid after 180 days of year end Ontario capital tax adjustments				0	
39	Ontaile capital tax adjustments	+			0	
40	Transition Costs Recovery	+	3,189		3,189	
41		+			0	
42 43		+			0	
44		+			0	
	Non Deductible interest expense	+			0	
46	•	+				
47	Total Additions on which true-up does not apply	=	3,189	0	3,189	
48 49	De deset.					
50	Deduct:					
	CCA adjustments	-			0	
52	CEC adjustments	-			0	
	Depreciation and amortization adjustments	-			0	
	Gain on disposal of assets per financial statements Financing fee amorization - considered to be interest expense for PILs	-			0	
	Imputed interest income on Regulatory Assets	-			0	
	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Provincial Capital Tay	-			0	
61 62	Provincial Capital Tax	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67 68		-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
	Total Deductions on which true-up does not apply	=	0	0	0	
74 75						
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3	Corporate Tax Rates				١	ersion 2009.	.1			
	Utility Name: Parry Sound F	Power Corp	oration							
5	Reporting period: 2004									
7						Table 1				
	Rates Used in 2002 RAM PI	Ls Applicat					ī			
	Income Range RAM 2002		0 to		200,001 to	>700000				
11		Year	200,000		700,000	2700000				
	Income Tax Rate									
13	Proxy Tax Year Federal (Includes surtax)	2002	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 LCT rate		0.300% 0.225%							
	Surtax		1.12%							
	Ontario Capital Tax	MAX	5,000,000							
	Exemption **	\$5MM	5,000,000							
	Federal Large Corporations Tax	MAX	10,000,000							
22	Exemption **	\$10MM	10,000,000							
	**Exemption amounts i	must agre	e with the	Board-app	roved 200	2 RAM	•			
	PILs filing	_		•						
23 24										
25						Table 2				
26	Expected Income Tax Rates	s for 2004 a	nd Capital Ta	x Exemption	s for 2004					
	Income Range					Taxable				
28 29	Expected Rates	Year				Income \$327,891				
	Income Tax Rate					40 21,001				
	Current year	2004								
	Federal (Includes surtax) Ontario	2004 2004								
34	Blended rate	2004				20.76%				
35										
36	Capital Tax Rate	2004	0.300%							
	LCT rate Surtax	2004	0.200%							
	Ontario Capital Tax	2004 MAX	1.12%							
39	Exemption *** 2004	\$5MM	5,000,000							
	Federal Large	MAX	F0.000							
40	Corporations Tax Exemption *** 2004	\$50MM	50,000,000							
	***Allocation of exempt	tions mus	t comply v	vith the Box	ard's inst	ructions	ı			
42	regarding regulated ac		· · · · · · · · · ·							
43]			
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45 46										[
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1	0														
2	Analysis of PILs Tax Account	1562:													
3	Utility Name: Parry Sound Po	wer C	orporation												Version 2009.1
4	Reporting period: 2004				Sign Conventi	on:	+ for increase;	- fo	r decrease						0
5															
6															
7															
8	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															
	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,														
13	2005 - 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)				<u>-</u>										0
	Deferral Account Variance	+/-													
17	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												0
21															
22	Ending balance: # 1562		0		0		0		0		0		0		0
23														•	

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

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

- (1) (i) From the Board's Decision see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
 - If the Board gave more than one decision in the year, calculate a weighted average proxy. (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 43 44 45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. 46 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- 47 (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 50 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
 - (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
 - (7) Carrying charges are calculated on a simple interest basis.

to calculate the recovery for the period January 1 to March 31, 2005.

- (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 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 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
- 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.