



**PETERBOROUGH DISTRIBUTION INC.**

1867 Ashburnham Drive, PO Box 4125, Station Main  
Peterborough ON K9J 6Z5

August 2, 2012

File: F69

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Peterborough Distribution Incorporated EB-2012-0188  
Disposition of Account 1562 - Deferred PILs  
Response to Board Staff Interrogatories**

Peterborough Distribution Incorporated ("PDI") is submitting its responses to Board Staff interrogatories concerning the above application.

PDI's responses to Board Staff interrogatories and revised SIMPIL models will be sent to you in the following form:

Electronic filing through the Board's web portal at [www.errr.oeb.gov.on.ca](http://www.errr.oeb.gov.on.ca), consisting of one (1) electronic copy of the application in searchable /unrestricted PDF format and one (1) electronic copy in Microsoft Excel format of the SIMPIL models, and two (2) hard copies will be sent to the Ontario Energy Board

Yours truly,

A handwritten signature in black ink, appearing to read 'Byron Thompson', with a long horizontal stroke extending to the right.

Byron Thompson  
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Attached:

For each of; Peterborough Distribution Inc. (PDI), Lakefield Distribution Inc. (LDI) and Asphodel-Norwood Distribution Inc. (ANDI);

- 2001 SIMPIL Model
- 2002 SIMPIL Model
- 2003 SIMPIL Model
- 2004 SIMPIL Model

Consolidated Peterborough Distribution Inc.;

- 2005 SIMPIL Model
- Carrying Charge Calculation

**Peterborough Distribution Inc. ("PDI")  
EB-2012-0188  
Disposition of Account 1562 – Deferred PILs  
PDI Response to Board Staff Interrogatories**

**1. PILs Recoveries**

**Ref: Continuity Schedule, Carrying Charges, and Recoveries from Ratepayers**

Distributors in southern Ontario typically have shown a pattern where recoveries from customers exceed the PILs proxies due to growth in customer counts and load. While PDI's data demonstrate a similar pattern, the recoveries seem to be lower than one would expect. PDI has not explained its approach to calculating the recoveries. PDI appears to have prorated the PILs rate slivers from the RAM worksheets over the total rate by class from the rate orders. When the distribution rates changed on April 1, 2004 and on April 1, 2005, this approach may have resulted in understating the total recoveries. In the table below Board staff has shown data for periods where unbilled revenue accruals would affect the reported numbers. In other proceedings, where evidence to support the recoveries from customers is weak, the Board has deemed higher recovery amounts.

**Response – Approach to Calculating Recoveries**

Further to the Board Staff opening comments and to assist Board Staff with assessing the accuracy of PDI reported PIL recoveries, please refer to the description of our process and systems in the following paragraph.

As a means of determining the portion of our billings that were applicable to PILs, PDI relied on our billing system to accurately allocate revenue on a transaction by transaction basis. Accordingly, rather than rely on month end or annual billing determinant information from which to apply an applicable rate, PDI set up its system to directly post the applicable portion of both fixed and variable PIL recoveries to separate GL accounts for PIL recovery. The same system was utilized by ANDI and LDI.

The key implications of this methodology and system on our application are as follows:

- Reported PIL recoveries are presented on an as "Billed" basis.
- PDI and our affiliates must properly accrue PIL's not yet billed at April 30, 2006.
- PDI, ANDI and LDI must ensure that when rates changed, the system properly allocated the PIL's component of revenue to the PIL accounts reporting in this application.

Board Staff questions included in this interrogatory address all of these areas and detailed explanations are provided in our reply.

The adjusted amounts reported in this interrogatory generally show that recoveries exceeded PIL proxies once PILs billings commenced in March 2002. However given the limited growth in the PDI service area, the excess collections in 2002 through 2006 was not quite sufficient to offset the period of no collection from October 2001 through March 2002.

**Staff Table 1**

<b>PILs Proxies vs. Recoveries Unbilled Revenue Accrual</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>PILs Proxies in Rates</b>						
Peterborough	519,047	1,893,596	2,412,643	2,023,358	1,912,264	639,495
Lakefield	6,474	23,860	30,334	25,479	24,924	8,426
Asphodel-Norwood	2,146	9,069	11,215	9,606	9,330	3,139
	<b>527,667</b>	<b>1,926,525</b>	<b>2,454,192</b>	<b>2,058,443</b>	<b>1,946,518</b>	<b>651,060</b>
<b>PILs Recovery Calculations</b>						
Peterborough		-1,892,286	-2,462,175	-1,968,733	-1,997,799	-739,387
Lakefield		-25,665	-30,557	-22,402	-25,681	-10,542
Asphodel-Norwood		-7,505	-10,920	-9,710	-9,939	-3,835
		<b>-1,925,456</b>	<b>-2,503,652</b>	<b>-2,000,845</b>	<b>-2,033,419</b>	<b>-753,764</b>
<b>Difference</b>	<b>527,667</b>	<b>1,069</b>	<b>-49,460</b>	<b>57,598</b>	<b>-86,901</b>	<b>-102,704</b>

**PDI Table 1**

<b>PILs Proxies vs. Recoveries</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>PILs Proxies in Rates</b>						
Peterborough	519,047	1,893,596	2,412,643	2,023,358	1,912,264	639,495
Lakefield	6,474	23,860	30,334	25,479	24,924	8,426
Asphodel-Norwood	2,146	9,069	11,215	9,606	9,330	3,139
	<b>527,667</b>	<b>1,926,525</b>	<b>2,454,192</b>	<b>2,058,443</b>	<b>1,946,518</b>	<b>651,060</b>
<b>PILs Recovery</b>						
Peterborough		(1,892,286)	(2,462,175)	(2,018,762)	(1,962,179)	(839,068)
Lakefield		(25,665)	(30,557)	(23,906)	(25,681)	(12,263)
Asphodel-Norwood		(7,505)	(10,920)	(9,736)	(9,939)	(4,691)
	<b>-</b>	<b>(1,925,456)</b>	<b>(2,503,652)</b>	<b>(2,052,404)</b>	<b>(1,997,799)</b>	<b>(856,022)</b>
<b>Difference</b>	<b>527,667</b>	<b>1,069</b>	<b>(49,460)</b>	<b>6,039</b>	<b>(51,281)</b>	<b>(204,962)</b>

In PDI Table 1 we have revised the comparison of Proxies and Recoveries for the following changes:

- Recoveries shown for PDI service territory for the years 2005 and 2006 in the table prepared by Board staff are the recovery amounts for all three service territories. The PDI table has been updated for this in 2005. The 2006 recoveries reflect this correction together with additional items noted below.
  - Recovery amounts shown for 2004 have been increased to pick up an additional \$51,559 of fixed PILs recovery. The details of this adjustment are provided in our response to question 1(c).
  - The recovery amounts shown for 2006 have been increased to include amounts billed to customers during May and June 2006 of \$116,634 related to consumption before May 1, 2006. The calculation of these amounts is shown in the response to part (f) of this question.
- a. Please explain how PDI calculated the PILs amounts contained in the unbilled revenue accruals at each December year end and at April 30, 2006 for each service area.

**Response:**

PDI did not accrue unbilled PIL revenue at each December year end and at April 30, 2006. Recoveries shown were based on PIL revenue billed during the period. PDI has calculated the amount of unbilled PIL revenue at April 30, 2006 as \$116,634. This calculation is shown in the table included in the response to part (f) of this question.

- b. Please explain the erratic pattern shown in the table and explain why the recoveries were so low in 2002 and 2004 for each service area.

**Response:**

2002

As noted in our opening comments on the approach taken to determining the portion of PILs in our billings, PDI and affiliates relied on our billing system and has presented recoveries as billed. Accordingly, the recoveries in 2002 were low because PDI has reported only billed PIL recovery revenue at December 31, 2002. The amounts reported do not reflect unbilled revenue at the end of 2002.

The combined PIL proxy revenue for PDI's three service territories for 2001 and 2002 was \$2,454,192. The amount to be recovered during 2002 was 10/12<sup>th</sup>s of this amount, or \$2,045,160. Actual recoveries in 2002 were \$1,925,456 resulting in a difference of \$119,704.

PIL recovery revenue recorded during the entire PIL recovery period, March 2002 to April 2006, was based on actual billings to customers with no adjustment for

unbilled amounts. In the response to part (f) to this question, PDI has calculated the unbilled PIL revenue at April 30, 2006 as \$116,634 and has revised the final PIL model to increase the amount of the recoveries by this amount.

#### 2004

The 2004 recovery presented in Staff Table 1 is \$57,598 less than the PIL proxy for the year. After a review of how our system handled the rate changes at April 1, 2004 as requested in question 1(c) PDI has increased the PIL recovery by \$51,559. A detailed explanation of this is provided by PDI in our response to that question.

After this adjustment, PIL revenue collected is still \$6,039 less than the proxy for the year. This apparent shortfall for the year is due primarily to the seasonality of our customer billings. PDI kWh's billed in the first three months of 2004, or 25% of a year represent almost 33% of annual Residential usage and 30% of total consumption. On April 1<sup>st</sup> when PIL's recovery switched from a mix of variable and fixed components to just variable, this increased the sensitivity of recoveries to kWh consumption levels. For PDI alone, in 2004 this represented a pro rata shortfall in kWh's from the proxy of approximately 34 million kWh or \$60,000 in lower than expected PIL's recovery.

- c. Please explain how PDI dealt with the rate changes at April 1, 2004 and how PDI determined the PILs amounts in rates billed on consumption prior to April 1, 2004 in May, June and July 2004 for each service area.

#### ***Response:***

##### ***Variable Portion of PIL Recovery***

PDI's billing system has the ability to pro-rate rate changes based on the period of consumption to determine the variable portion of the PIL revenue. The amount of PIL revenue billed by month was recorded in the GL by service territory with sub-accounts for each customer class using the class specific rate multiplied by the by the appropriate billing determinant. If the billing period spanned the date of a rate change the consumption prior to the rate change was billed at the old rate and the consumption on or after the date of the rate change was billed at the new rate.

The rate changes at April 1, 2004 were applied to consumption on or after that date. Consumption prior to April 1, 2004 was billed at the rates in effect during the period of consumption.

The following screen print from PDI's billing system shows a customer account that was billed on April 20, 2004. As shown on the billing lines shaded in yellow

in Box A, on the first line consumption of 1,602 kWh is prorated as 28/29 based on days from March 4, 2003 to April 1, 2004 resulting in a PIL's allocation of \$2.94, applying a the 2003 PILs charge rate of \$.0019 per kWh to 28 days. The 2004 rate of \$.003983 per kWh was applied to one day of the billing period resulting in a charge of \$0.22.

Ptbo Residential SSS Non-Competitive (PSRNA) Meter 17775						
Period From	Mar-04-2004					
Period To	Apr-01-2004	Consumption	1602.000000			
Days	29					
Description	\$ Amount	Consumption	Rate	Pro	Days	
Residential Service Charge	15.12		15.1200000...	No		<b>B</b>
Charge Mode Charges(DRC)	10.73	1602.000000	0.006700000	No		
Residential Local Distribution RSVA(ResLocDist-RSVA)	0.05	1602.000000	0.000874000	Yes	1/29	
Residential Local Distribution RA(ResLocDist-RA)	0.04	1602.000000	0.000648000	Yes	1/29	
Residential Local Distribution - PILs(ResLocDist-PILs)	2.94	1602.000000	0.001900000	Yes	28/29	<b>A</b>
Residential Local Distribution - PILs(ResLocDist-PILs)	0.22	1602.000000	0.003983000	Yes	1/29	
Residential Local Distribution REV(Res Loc Dist)	12.68	1602.000000	0.008200000	Yes	28/29	
Residential Local Distribution REV(Res Loc Dist)	0.26	1602.000000	0.004795000	Yes	1/29	
Charge Mode Charges(Res Ln Conn Rt)	8.36	1671.206400	0.005000000	No		
Charge Mode Charges(Res Net Svc Rt)	9.53	1671.206400	0.005700000	No		
Charge Mode Charges(NCEC)	10.36	1671.206400	0.006200000	No		

The revenue recorded in April, and May 2004 was a blend of old and new rates based on when the power was consumed. June and July billings did not contain any consumption prior to April 1 and therefore used only the rates that became effective on April 1, 2004.

PDI believes the system has accurately determined the variable PILs recoveries in regular months and at times of changes in rates, given its ability to perform the above prorata calculation.

### Fixed PILs Recoveries

The system was set up to allocate the fixed portion of PILs based on the "meter read date" in the system. In the example above the meter read date was April 1<sup>st</sup> and accordingly the system did NOT calculate an amount for fixed PIL's recovery based for this customer because commencing April 1<sup>st</sup> PIL's recovery was to be solely determined from variable usage. (See Box B) This however is in error because a fixed PIL rate should have been determined and allocated (subtracted) from the fixed rate of \$15.12.

Accordingly it appears the system has understated these transitional transactions where the billing for March consumption took place in April or late periods. According PDI has performed an analysis of billings for March

consumption booked April 1<sup>st</sup> or later to quantify the amount of PILs billings not allocated to the PILs Recovery GL accounts. Based PDI Table 3 below we estimate for March that total fixed PIL recovery for March should have been approximately \$131 thousand. Given that 88% of billings for March consumption happen after March, our GL should have captured approximately \$115 thousand in fixed PIL revenue. Due to the billing demonstrated above however, the only items it captured were April or later billings on accounts with March meter read dates, which amount to \$63,878. Accordingly a \$51,559 adjustment is necessary to correct the 2004 PIL recovery previously reported. The adjustments in PDI Table 2 have been reflected in PDI Table 1 found earlier in the report.

**PDI Table 2**

Adjustment to March 2004 Fixed Rate PILs Recovery					
		PDI	LDI	ANDI	Total
kWh consumption	Mar-04	66,582,829	3,120,811	1,117,584	70,821,224
Month billed	Mar-04	7,993,480	689,020	384	8,682,884
	Apr-04	51,506,987	2,431,579	835,210	54,773,777
	May-04	7,082,362	212	281,990	7,364,564
		66,582,829	3,120,811	1,117,584	70,821,224
March 2004 consumption unbilled at March 31, 2004		58,589,349	2,431,792	1,117,200	62,138,340
% unbilled at March 31, 2004		88%	78%	100%	88%
Monthly fixed PILs recovery revenue (A)		129,008	1,940	405	131,353
% unbilled at March 31 (B)		88%	78%	100%	88%
Unbilled fixed PILs recovery revenue (A) * (B)		113,520	1,512	405	115,437
less: amount billed after March 31		-63,491	-8	-379	-63,878
March fixed PILs revenue not recorded		50,029	1,504	26	51,559

**PDI Table 3**

**PILs Fixed Monthly PIL Revenue**

	PDI			ANDI			LDI			Total
	Rate	# Customers	Revenue	Rate	# customers	Revenue	Rate	# customers	Revenue	Revenue
Residential	\$ 2.98	27,496	\$ 81,938	\$ 0.45	580	\$ 261	\$ 0.92	1164	\$ 1,071	\$ 83,270
GS < 50	\$ 6.88	3,440	\$ 23,667	\$ 0.88	95	\$ 84	\$ 2.04	196	\$ 400	\$ 24,151
GS > 50	\$ 45.02	440	\$ 19,808	\$ 7.56	7	\$ 53	\$ 25.14	18	\$ 453	\$ 20,314
LU	\$ 1,028.41	2	\$ 2,057	\$ -	0	\$ -	\$ -	0	\$ -	\$ 2,057
Street Ltg	\$ 0.19	7,431	\$ 1,412	\$ 0.03	233	\$ 7	\$ 0.04	414	\$ 17	\$ 1,435
Sentinel Ltg	\$ 0.20	626	\$ 125	\$ -	0	\$ -	\$ -	34	\$ -	\$ 125
			\$ 129,008			\$ 405			\$ 1,940	\$ 131,352

- d. Please explain how PDI dealt with the rate changes at April 1, 2005 and how PDI determined the PILs amounts in rates billed on consumption prior to April 1, 2005 in May, June and July 2005 for each service area.

**Response:** Please refer to the response for part (c). The same methodology was used to deal with the rate changes at April 1, 2005. Since the PIL recovery was based solely on variable Rates, PDI is confident the system handled the rate change appropriately.

- e. Please provide a table that shows the gross amounts billed to customers in May, June and July 2006 related to consumption before May 1, 2006 for each service area.

**Response:** PIL revenue billed during May and June 2006 was recorded in a separate GL account for each service territory with sub-accounts for each customer class. July billings did not include any consumption prior to May 1. The amount of PIL revenue billed to customers in May and June 2006 is shown in the table that is included in the response to part (f) of this question.

- f. Please show how PDI determined the PILs amounts contained in these gross billings for May, June and July 2006 related to consumption before May 1, 2006 for each service area.

**Response:** As discussed in part (a) PDI's application did not include PIL recoveries after April 30, 2006 that related to consumption prior to that date. PDI has calculated this amount as \$116,634 and has revised its application to include this amount in recoveries. The calculation is shown in the following table:

UNBILLED PIL REVENUE AT APRIL 30, 2006				
	PDI	ANDI	LDI	TOTAL
kWh billed in May 2006	63,004,374	933,568	2,370,139	
portion consumed prior to May 1	57,562,979	933,282	2,226,762	
kWh billed in June 2006	56,675,741	746,008	-	
portion consumed prior to May 1	6,178,077	305,392	-	
Total kWh billed in May/June 2006	119,680,115	1,679,576	2,370,139	
portion consumed prior to May 1	63,741,056	1,238,674	2,226,762	
% consumed prior to May 1	53%	74%	94%	
PIL revenue billed in May 2006	\$ 150,196	\$ 741	\$ 1,832	
PIL revenue billed in June 2006	\$ 63,960	\$ 419	\$ -	
Total PIL revenue billed in May/June 2006	\$ 214,156	\$ 1,160	\$ 1,832	
% related to consumption prior to May 1	53%	74%	94%	
<b>Unbilled PIL revenue at April 30, 2006</b>	<b>\$ 114,058</b>	<b>\$ 855</b>	<b>\$ 1,721</b>	<b>\$ 116,634</b>

**Note:** June billings for LDI omitted from table because all consumption relating to the period prior to May 1 was billed prior to June 1, 2006

All consumption relating to the period prior to May 1, 2006 for PDI and ANDI service territories was billed prior to July 1, 2006.

- g. Please compare the results of this analysis with the evidence filed and explain any material variances for each service area.

**Response:**

The evidence filed did not include unbilled PIL revenue at April 30, 2006 of \$116,634. Revised models that accompany this response include this amount in recoveries.

## 2. Billing Determinants

Ref: EB-2012-0288/Model/PIL Revenue by Month 2002 to 2006\_04162012.xlsx – Billed Detail Summary Tab

Ref: EB-2008-0241/0242/0243/ Exh3/Tab2/Sch7/pages1-3

Ref: EB-2005-0406/Model/Tab 6-2

Ref: EB-2008-0241/0242/0243/ Exh3/Tab2/Sch3/page1

PDI has submitted billing determinants in an Excel workbook entitled “PIL Revenue by Month 2002 to 2006\_04162012.xlsx” on tab “Billed detail Summary”. Board staff

prepared the tables below to compare the billing determinants used in this application with prior applications filed with the Board.

**Staff Table 2**

<b>PILs Recoveries Billing Determinants</b>	<b>2002 Pro-rated</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006 Pro-rated</b>
<b>Billing Determinants</b>					
PDI (LDI, ANDI)					
kWh 000s	299,488	409,792	387,713	421,552	158,480
kW	733,388	896,628	940,745	995,670	276,418
<b>EB-2008-0241/0242/0243</b>					
PDI (LDI, ANDI)					
kWh 000s	669,093	805,996	790,192	822,852	270,063
<b>EB-2005-0406 &amp; EB-2008-0241/0242/0243</b>					
PDI (LDI, ANDI)					
kW	717,370	892,259	895,573		298,837

**Staff Table 3**      **From: EB-2008-0241/0242/0243/ Exh3/Tab2/Sch7/pages1-3**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>kWh</b>					
Residential	301,118,299	287,513,562	285,057,855	297,081,386	290,645,501
GS<50kW	123,019,891	122,055,150	121,526,407	126,518,339	124,767,156
GS>50kW	313,285,232	321,263,084	309,414,899	323,322,965	321,823,307
Large	58,804,718	65,357,746	64,756,589	66,651,689	63,402,525
Street Lighting	4,679,216	6,292,294	5,980,324	5,985,582	6,283,519
Sentinel	693,470	1,025,125	1,010,677	966,991	1,091,658
USL	1,310,816	2,489,202	2,444,704	2,325,282	2,174,601
	802,911,642	805,996,163	790,191,455	822,852,234	810,188,267
<b>Pro-rate</b>	10/12				4/12
	669,093,035	805,996,163	790,191,455	822,852,234	270,062,756

**Staff Table 4**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>kW</b>	860,844				896,510
Pro-rate	717,370	892,259	895,573		298,837

Please explain the differences in billing determinants used for PILs recovery calculations and the billing determinants filed in prior distribution rate applications.

**Response:**

As described in the response to question 1 (c), PDI's billing system calculated the PIL revenue by multiplying the appropriate billing determinant by the class specific PILs recovery rate(s) in effect during the billing period and recorded the revenue in the general ledger by service territory with sub-accounts for each customer class.

**Staff Table 2**

PDI KWh information in the first part of Table 2 is presented on a billed basis for residential and GS<50 Classes, for all three service territories.

The KWh's presented by staff in this Table from our previous cost of service application include all customer classes, presented on a consumed basis, and include adjustments for unbilled revenue.

The final line of information presented in Table 2, also from our previous cost of service application, is for PDI service territory only, and accordingly will also not agree with the first row of information.

**Staff Table 3**

Staff Table 3 summarizes PDI, LDI, and ANDI consolidated KWh determinates, present on a consumption or accrual basis. Accordingly Residential and GS <50 amounts in this table will not agree to those provided in the first line of Staff Table 2.

**Staff Table 4**

The kW shown in OEB Staff Table 4, also from our last cost of service application, represents kW for the Peterborough service territory only. The kW information presented in the second row of Staff Table 2 is the total of all three service areas.

**3. Tax Years – Statute-barred**

**Ref: 2001 to 2005 Tax Returns**

Please confirm that all tax years from 2001 to 2005 are now statute-barred for all three service territories (i.e. PDI, LDI and ANDI).

**Response:**

For a Canadian-controlled private corporation (CCPC), the normal reassessment period is the period that ends four years after the day of mailing of an original assessment. Beyond this date returns are generally considered statute barred.

PDI and its amalgamated corporations LDI and ANDI are beyond this date for its 2005 returns, and are not aware of any circumstances that would allow or cause the Ministry of Finance to reopen these returns. Presently PDI is undergoing an income tax audit by the Ministry of Finance for the years 2007 through 2009.

**Peterborough ("PDI")**

**4. Income Tax Rates**

**Ref: SIMPIL Models for 2001 to 2005**

PDI has not used the maximum income tax rates as shown on page 17 in the Decision in the combined proceeding. Board staff has compared the tax rates in the table below. A distributor must input the correct income tax rates into the correct cells (i.e. over-ride the formulas) in order to calculate the correct variance amounts.

- a. In 2001 SIMPIL, PDI used a tax rate of 40.18% in column C rather than the tax rate shown in the original PILs proxy of 40.62%. This created an incorrect true-up to ratepayers in cell E148. Please explain why PDI did not use the correct income tax rate in the PILs proxy.

**Response:**

This was an error on the part of PDI. .

- b. Please correct the 2001 SIMPIL model to ensure that it balances with the original 2001 proxy to eliminate the incorrect income tax variance and re-file the SIMPIL workbook and revised continuity schedule all in active Excel format.

**Response:**

The 2001 SIMPIL model has been updated to utilize the rates recommended in the combined Decision.

- c. Please update the income tax rates in the 2004 and 2005 SIMPIL models to conform to the Decision and file a revised continuity schedule all in active Excel format.

**Response:**

The tax rates in cell E122 have been updated in the 2004 and 2005 SIMPIL model to conform to the Decision. These excel files have been resubmitted.

**5. Regulatory Income Tax**

**Ref: 2005 SIMPIL Model**

In the 2005 SIMPIL model, PDI deducted \$20,170 from regulatory income tax in cell C55. The regulatory income tax number does not agree with the original proxy amounts. An incorrect true-up variance to ratepayers of \$20,170 is created in cell E148 because of the deduction in cell C55.

- a. Please explain why PDI believes that ratepayers should pay for this variance.

**Response:**

Please see the response for part b) below.

- b. Please balance the proxy column in 2005 SIMPIL to the original application proxy amounts and re-file the SIMPIL and a revised continuity schedule all in active Excel format.

**Response:**

The 2005 SIMPIL model has been adjusted to remove \$20,170

In the 2004 SIMPIL and 2004 tax returns, PDI did not disclose any tax reserves. However, in the 2005 SIMPIL PDI has entered tax reserves as if they had existed at the end of 2004. This entry on sheet TAXREC in cell C63 creates an incorrect true-up to ratepayers of \$315,900. PDI has not filed a Schedule 13 continuity of reserves in the 2005 tax return, and no entry for tax reserves appears on the 2005 T2 Schedule 1.

- c. Please explain why PDI believes that ratepayers should pay for this variance.

**Response:**

At the time of filing PDI was not aware that transactions of this nature were considered a component of Net Income, not subject to true up. The reconciling item has been moved to TAXREC3 as requested.

- d. Please re-file a live Excel version of the 2005 SIMPIL model that moves this amount of \$315,900 to sheet TAXREC3.

***Response:***

The reconciling amount has been moved to TAXREC3 as requested.

**6. Interest Expense**

**Ref: 2001 to 2005 SIMPIL Models, Actual and Deemed Interest Expense for Tax Years 2001 to 2005 for True-up Calculations**

PDI's maximum deemed interest was \$1,621,315. Interest above this amount is treated as excess interest in the SIMPIL models and the variance is included as a deduction to the benefit of ratepayers.

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

***Response:***

Table 5 presented below shows all of the components of interest expense for PDI and the amount associated with each type of interest. Consistent with the Combined Decision and the decision in Hydro One Brampton Networks case EB-2011-0174 the SIMPIL models have been updated on the TAXCALC tab to excluded interest expense on customer deposits and other amounts, not recovered in cost of service applications, or normally grouped with interest expense.

**PDI Table 5**

INTEREST EXPENSE DETAILS					
	2001	2002	2003	2004	2005
<b><u>PDI Interest Expense</u></b>					
Shareholder loan	1,337,362	1,570,182	1,570,182	1,570,182	1,570,182
ANDI/LDI acquisition loan		43,798	51,575	41,671	46,572
Customer deposits	13,345	10,098	30,456	13,801	23,993
IESO prudential		31,354	12,222	30,589	32,820
Retailer /developer deposits		2,503	6,632	6,303	15,170
Bank interest (debit balance)		39,345	1,277		
Late payment charges				660	5,564
Total - Financial Statements	<b>1,350,707</b>	<b>1,697,280</b>	<b>1,672,344</b>	<b>1,663,206</b>	<b>1,694,301</b>
<b>Remove Interest associated with:</b>					
Customer Deposits	(13,345)	(10,098)	(30,456)	(13,801)	(23,993)
Retailer deposits	-	(2,503)	(6,632)	(6,303)	(15,170)
Late Payment charges	-	-	-	(660)	(5,564)
Total adjustment	<b>(13,345)</b>	<b>(12,601)</b>	<b>(37,088)</b>	<b>(20,764)</b>	<b>(44,727)</b>
Used for Interest portion of True UP, TAXCALC, Cell E201	<b>1,337,362</b>	<b>1,684,679</b>	<b>1,635,256</b>	<b>1,642,442</b>	<b>1,649,574</b>

- b. Did PDI have interest expense related to items other than debt that is disclosed as interest expense in its financial statements?

***Response:***

Yes, all of the items in the above table were disclosed as interest expense in the financial statements except for interest expense in PDI on the ANDI/LDI acquisition loan of \$12,819 in 2001 which was included in operating and administration expenses in the financial statements. The inclusion of this amount in Interest expense in the SIMPIL model should not result in a variance on the TAXCALC tab.

- c. Did PDI net interest income against interest expense in deriving the amount it shows as actual interest expense in the SIMPIL models? If yes, please provide details to what the interest income relates and explain why interest income and expense should be netted to reduce the interest expense used in the true-up calculations.

***Response:*** PDI did not net interest income against interest expense.

- d. Did PDI include interest expense on customer security deposits in interest expense?

**Response:**

Yes, PDI did include interest expense on customer security deposits in interest expense in its original PIL application. As provided in Table 5, it has been removed from cell E201 on the TAXCALC tab of the revised models that accompany this response.

- e. Did PDI include interest income on customer security deposits in interest expense?

**Response:**

PDI did not include interest income on customer security deposits in interest expense.

- f. Did PDI incur interest expense or standby fees or charges on IESO or other prudentials? Please provide a table that lists all of the prudential costs by year for 2001-2005 with the amounts by type of charge.

**Response:**

PDI incurred interest expense on IESO prudentials. The amounts are shown in Table 5 included in the response to part (a) of this question.

- g. Did PDI include interest carrying charges on regulatory assets or liabilities in interest expense?

**Response:** PDI did not include interest carrying charges on regulatory assets or liabilities in interest expense.

- h. Did PDI include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?

**Response:** No, PDI did not include any of these items in interest expense.

- i. Did PDI deduct capitalized interest in deriving the interest expense disclosed in its financial statements?

**Response:** No, PDI did not deduct capitalized interest in deriving the interest expense disclosed in its financial statements. PDI did not capitalize any interest.

- j. In the 2001, 2002 and 2005 SIMPIL models, PDI correctly used the maximum deemed interest to calculate the excess interest true-up. In 2002, there was a variance to be included in the calculations. However, in the 2003 and 2004

SIMPIL models, PDI did not use the maximum deemed interest to calculate the excess interest true-up and, consequently, the variances were not accurately determined.

- i. Please explain why PDI did not use the maximum deemed interest to calculate the excess interest variance in the 2003 and 2004 SIMPIL models.

**Response:** The model was changed in error.

- ii. Please correct the 2003 and 2004 SIMPIL models and re-file the workbooks with a revised continuity schedule all in active Excel format.

**Response:**

The 2003 and 2004 SIMPIL models have be adjusted to compare to compare actual interest with deemed interest.

### **Lakefield (“LDI”)**

#### **7. Income Tax Rates**

##### **Ref: SIMPIL Models for 2001 to 2004**

LDI has not used the minimum income tax rates consistently as shown on page 17 in the Decision in the combined proceeding. Board staff has compared the tax rates in the table below. The distributor must input the correct income tax rates into the correct cells (i.e. over-ride the formulas) in order to calculate the correct variance amounts.

Please input the correct income tax rates into the correct cells on sheet TAXCALC in the 2001 through 2004 SIMPIL models and file a revised continuity schedule all in active Excel format.

**Response:**

The 2001 through 2004 SIMPIL Models have been updated to utilize the rates provided in the Decision in the combined proceeding.

#### **8. Interest Expense**

##### **Ref: 2001 to 2005 SIMPIL Models, Actual and Deemed Interest Expense for Tax Years 2001 to 2005 for True-up Calculations**

LDI's maximum deemed interest was \$54,887. Interest above this amount is treated as excess interest in the SIMPIL models and the variance is included as a deduction to the benefit of ratepayers.

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

**Response:** See Table 6 below. LDI was amalgamated with PDI in 2005.

**Table 6**

LDI INTEREST EXPENSE DETAILS				
	2001	2002	2003	2004
<b>LDI:</b>				
Customer deposits	764		422	518
IESO prudential		1,334	610	1,526
Retailer / Developer Deposits		21	253	103
supplier late pmt chgs		16	203	
<b>Total</b>	<b>764</b>	<b>1,371</b>	<b>1,488</b>	<b>2,147</b>

- b. Did LDI have interest expense related to items other than debt that is disclosed as interest expense in its financial statements?

**Response:** No

- c. Did LDI net interest income against interest expense in deriving the amount it shows as actual interest expense in the SIMPIL models? If yes, please provide details to what the interest income relates and explain why interest income and expense should be netted to reduce the interest expense used in the true-up calculations.

**Response:** No

- d. Did LDI include interest expense on customer security deposits in interest expense?

**Response:** Yes, LDI did include interest expense on customer security deposits in interest expense its original PIL application. The amounts are not material to adjust in the models.

- e. Did LDI include interest income on customer security deposits in interest expense?

**Response:** No

- f. Did LDI incur interest expense or standby fees or charges on IESO or other prudentials? Please provide a table that lists all of the prudential costs by year for 2001-2005 with the amounts by type of charge.

**Response:** *Yes, See Table 6, in the response to part (a).*

- g. Did LDI include interest carrying charges on regulatory assets or liabilities in interest expense?

**Response:** *No*

- h. Did LDI include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?

**Response:** *No*

- i. Did LDI deduct capitalized interest in deriving the interest expense disclosed in its financial statements?

**Response:** *No, LDI did not deduct capitalized interest in deriving the interest expense disclosed in its financial statements. LDI did not capitalize any interest.*

- j. In the 2001 and 2002 SIMPIL models, LDI correctly used the maximum deemed interest to calculate the excess interest true-up. However, in the 2003 and 2004 SIMPIL models, LDI did not use the maximum deemed interest to calculate the excess interest true-up and, consequently, the variances were not accurately determined.

- iii. Please explain why LDI did not use the maximum deemed interest to calculate the excess interest variance in the 2003 and 2004 SIMPIL models.

**Response:** *The file was modified in error. It makes no difference however as the deemed interest is significantly greater than the actual interest expense.*

- iv. Please correct the 2003 and 2004 SIMPIL models and re-file the workbooks with a revised continuity schedule all in active Excel format.

**Response:** *The models have been corrected.*

## Asphodel-Norwood ("ANDI")

### 9. Income Tax Rates

#### Ref: SIMPIL Models for 2001 to 2004

ANDI has not used the minimum income tax rates consistently as shown on page 17 in the Decision in the combined proceeding. Board staff has compared the tax rates in the table below. The distributor must input the correct income tax rates into the correct cells (i.e. over-ride the formulas) in order to calculate the correct variance amounts.

Please input the correct income tax rates into the correct cells on sheet TAXCALC in the 2001 through 2004 SIMPIL models and file a revised continuity schedule all in active Excel format.

#### **Response:**

The 2001 through 2004 SIMPIL Models have been updated to utilize the rates provided in the Decision in the combined proceeding.

### 10. Interest Expense

#### Ref: 2001 to 2005 SIMPIL Models, Actual and Deemed Interest Expense for Tax Years 2001 to 2005 for True-up Calculations

ANDI's maximum deemed interest was \$18,204. Interest above this amount is treated as excess interest in the SIMPIL models and the variance is included as a deduction to the benefit of ratepayers.

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

**Response:** Table 7 below shows the components of interest expense.

Table 7

ANDI INTEREST EXPENSE DETAILS				
	2001	2002	2003	2004
<b>ANDI:</b>				
Customer deposits	365		482	231
IESO prudential		667	250	625
Retailer / Developer deposits		137	236	-
<b>Total</b>	<b>365</b>	<b>804</b>	<b>968</b>	<b>856</b>

- b. Did ANDI have interest expense related to items other than debt that is disclosed as interest expense in its financial statements?

**Response:** No

- c. Did ANDI net interest income against interest expense in deriving the amount it shows as actual interest expense in the SIMPIL models? If yes, please provide details to what the interest income relates and explain why interest income and expense should be netted to reduce the interest expense used in the true-up calculations.

**Response:** No

- d. Did ANDI include interest expense on customer security deposits in interest expense?

**Response:** Yes, ANDI did include interest expense on customer security deposits in interest expense its original PIL application. The amounts are not material if adjusted in the models. There would be no impact.

- e. Did ANDI include interest income on customer security deposits in interest expense?

**Response:** LDI did not include interest income on customer security deposits in interest expense.

- f. Did ANDI incur interest expense or standby fees or charges on IESO or other prudentials? Please provide a table that lists all of the prudential costs by year for 2001-2005 with the amounts by type of charge.

**Response:** ANDI incurred interest expense on IESO prudentials. The amounts are shown in Table 7 included in the response to part (a) of this question.

- g. Did ANDI include interest carrying charges on regulatory assets or liabilities in interest expense?

**Response:** No

- h. Did ANDI include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?

**Response:** No

- i. Did ANDI deduct capitalized interest in deriving the interest expense disclosed in its financial statements?

***Response: No***

- j. In the 2001 and 2002 SIMPIL models, ANDI correctly used the maximum deemed interest to calculate the excess interest true-up. However, in the 2003 and 2004 SIMPIL models, ANDI did not use the maximum deemed interest to calculate the excess interest true-up and, consequently, the variances were not accurately determined.
- i. Please explain why ANDI did not use the maximum deemed interest to calculate the excess interest variance in the 2003 and 2004 SIMPIL models.

***Response: The file was modified in error. It makes no difference however as the deemed interest is significantly greater than the actual interest expense.***

- ii. Please correct the 2003 and 2004 SIMPIL models and re-file the workbooks with a revised continuity schedule all in active Excel format.

***Response: The models have been corrected.***

**PILs Variance Account**

As provided in the following table, consistent with the reconciliation in the 2005 SIMPIL model, and updated for interest to April 2012, the resulting balance for disposition is \$1,494. Given the immaterial amount in this account, PDI proposes to clear the account without implementation of any rate rider for recovery.

<b>Account 1562 Continuity - Summary</b>							
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>Total</b>
<b>Board Approved PILs</b>							
PDI	519,048	1,893,596	2,412,644	2,023,358	1,912,264	639,495	<b>9,400,405</b>
LDI	6,474	23,860	30,334	25,479	25,279	8,584	<b>120,010</b>
ANDI	2,146	9,069	11,215	9,606	9,330	3,139	<b>44,505</b>
<b>Total Approved</b>	<b>527,668</b>	<b>1,926,525</b>	<b>2,454,193</b>	<b>2,058,442</b>	<b>1,946,873</b>	<b>651,218</b>	<b>9,564,919</b>
<b>True-ups</b>	-	(184)	(39,970)	(92,871)	(196,847)	(2,750)	<b>(332,622)</b>
<b>Interest</b>	-	52,536	32,524	20,574	13,671	1,284	<b>120,589</b>
<b>Total</b>	-	<b>52,352</b>	<b>(7,446)</b>	<b>(72,297)</b>	<b>(183,176)</b>	<b>(1,466)</b>	<b>(212,033)</b>
<b>PILs Billed to Customers</b>							
PDI	-	1,892,285	2,462,175	2,018,762	1,962,179	839,068	<b>9,174,470</b>
LDI	-	25,665	30,557	23,906	25,681	12,263	<b>118,072</b>
ANDI	-	7,505	10,920	9,736	9,939	4,691	<b>42,791</b>
<b>Total Billed</b>	-	<b>1,925,455</b>	<b>2,503,652</b>	<b>2,052,404</b>	<b>1,997,799</b>	<b>856,022</b>	<b>9,335,332</b>
<b>Ending Balance</b>	<b>527,668</b>	<b>53,422</b>	<b>(56,905)</b>	<b>(66,259)</b>	<b>(234,103)</b>	<b>(206,270)</b>	<b>17,554</b>
<b>Accumulative</b>	<b>527,668</b>	<b>581,090</b>	<b>524,185</b>	<b>457,926</b>	<b>223,823</b>	<b>17,554</b>	
Interest May 1, 2006 to April 30 2012							<b>(16,060)</b>
<b>Account 1562 Disposition Balance</b>							<b>1,494</b>

**PETERBOROUGH DISTRIBUTION INC.**

**Account 1562: Deferred PILs - carrying charges**

	<b>Opening Balance</b>	<b>PILs Proxy</b>	<b>PILs Billed</b>	<b>True-up</b>	<b>Ending Balance</b>	<b>Interest Rate</b>	<b>Interest Amount</b>
Oct-01	-				-	7.25%	-
Nov-01	-	-			-	7.25%	-
Dec-01	-	-			-	7.25%	-
Jan-02	527,668	160,544			688,212	7.25%	3,188
Feb-02	688,212	160,544			848,756	7.25%	4,158
Mar-02	848,756	160,544	(151,141)		858,158	7.25%	5,128
Apr-02	858,158	160,544	(206,672)		812,030	7.25%	5,185
May-02	812,030	160,544	(140,038)		832,536	7.25%	4,906
Jun-02	832,536	160,544	(186,103)	(184)	806,793	7.25%	5,030
Jul-02	806,793	160,544	(200,417)		766,919	7.25%	4,874
Aug-02	766,919	160,544	(211,488)		715,975	7.25%	4,633
Sep-02	715,975	160,544	(208,471)		668,048	7.25%	4,326
Oct-02	668,048	160,544	(212,635)		615,957	7.25%	4,036
Nov-02	615,957	160,544	(221,964)		554,536	7.25%	3,721
Dec-02	554,536	160,544	(186,525)		528,555	7.25%	3,350
Jan-03	528,555	204,516	(262,379)		470,692	7.25%	3,193
Feb-03	470,692	204,516	(201,939)		473,269	7.25%	2,844
Mar-03	473,269	204,516	(212,915)		464,870	7.25%	2,859
Apr-03	464,870	204,516	(213,848)		455,538	7.25%	2,809
May-03	455,538	204,516	(216,770)		443,284	7.25%	2,752
Jun-03	443,284	204,516	(196,238)	(39,970)	411,593	7.25%	2,678
Jul-03	411,593	204,516	(200,502)		415,607	7.25%	2,487
Aug-03	415,607	204,516	(196,245)		423,878	7.25%	2,511
Sep-03	423,878	204,516	(201,182)		427,212	7.25%	2,561
Oct-03	427,212	204,516	(203,053)		428,675	7.25%	2,581
Nov-03	428,675	204,516	(193,104)		440,087	7.25%	2,590
Dec-03	440,087	204,516	(205,477)		439,126	7.25%	2,659
Jan-04	439,126	171,537	(238,588)		372,075	7.25%	2,653
Feb-04	372,075	171,537	(216,276)		327,336	7.25%	2,248
Mar-04	327,336	171,537	(293,428)		205,445	7.25%	1,978
Apr-04	205,445	171,537	(158,799)		218,182	7.25%	1,241
May-04	218,182	171,537	(129,377)		260,342	7.25%	1,318
Jun-04	260,342	171,537	(142,390)	(92,871)	196,618	7.25%	1,573
Jul-04	196,618	171,537	(142,495)		225,660	7.25%	1,188
Aug-04	225,660	171,537	(152,092)		245,105	7.25%	1,363
Sep-04	245,105	171,537	(141,740)		274,902	7.25%	1,481
Oct-04	274,902	171,537	(137,911)		308,527	7.25%	1,661
Nov-04	308,527	171,537	(148,052)		332,012	7.25%	1,864
Dec-04	332,012	171,537	(151,257)		352,292	7.25%	2,006
Jan-05	352,292	162,239	(200,649)		313,882	7.25%	2,128
Feb-05	313,882	162,239	(173,974)		302,148	7.25%	1,896
Mar-05	302,148	162,239	(187,684)		276,703	7.25%	1,825
Apr-05	276,703	162,239	(183,405)		255,538	7.25%	1,672
May-05	255,538	162,239	(143,491)		274,286	7.25%	1,544
Jun-05	274,286	162,239	(153,616)	(196,847)	86,062	7.25%	1,657
Jul-05	86,062	162,239	(149,922)		98,380	7.25%	520
Aug-05	98,380	162,239	(192,603)		68,016	7.25%	594
Sep-05	68,016	162,239	(168,176)		62,079	7.25%	411
Oct-05	62,079	162,239	(144,284)		80,035	7.25%	375
Nov-05	80,035	162,239	(148,853)		93,421	7.25%	484

	Opening Balance	PILs Proxy	PILs Billed	True-up	Ending Balance	Interest Rate	Interest Amount	
Dec-05	93,421	162,239	(151,143)		104,518	7.25%	564	
Jan-06	104,518	162,805	(210,752)		56,570	7.25%	631	
Feb-06	56,570	162,805	(179,742)		39,633	7.25%	342	
Mar-06	39,633	162,805	(181,858)		20,579	7.25%	239	
Apr-06	20,579	162,805	(283,669)	(2,750)	(103,035)	4.14%	71	120,589
May-06	(103,035)				(103,035)	4.14%	(355)	
Jun-06	(103,035)				(103,035)	4.14%	(355)	
Jul-06	(103,035)				(103,035)	4.59%	(394)	
Aug-06	(103,035)				(103,035)	4.59%	(394)	
Sep-06	(103,035)				(103,035)	4.59%	(394)	
Oct-06	(103,035)				(103,035)	4.59%	(394)	
Nov-06	(103,035)				(103,035)	4.59%	(394)	
Dec-06	(103,035)				(103,035)	4.59%	(394)	
Jan-07	(103,035)				(103,035)	4.59%	(394)	
Feb-07	(103,035)				(103,035)	4.59%	(394)	
Mar-07	(103,035)				(103,035)	4.59%	(394)	
Apr-07	(103,035)				(103,035)	4.59%	(394)	
May-07	(103,035)				(103,035)	4.59%	(394)	
Jun-07	(103,035)				(103,035)	4.59%	(394)	
Jul-07	(103,035)				(103,035)	4.59%	(394)	
Aug-07	(103,035)				(103,035)	4.59%	(394)	
Sep-07	(103,035)				(103,035)	4.59%	(394)	
Oct-07	(103,035)				(103,035)	5.14%	(441)	
Nov-07	(103,035)				(103,035)	5.14%	(441)	
Dec-07	(103,035)				(103,035)	5.14%	(441)	
Jan-08	(103,035)				(103,035)	5.14%	(441)	
Feb-08	(103,035)				(103,035)	5.14%	(441)	
Mar-08	(103,035)				(103,035)	5.14%	(441)	
Apr-08	(103,035)				(103,035)	4.08%	(350)	
May-08	(103,035)				(103,035)	4.08%	(350)	
Jun-08	(103,035)				(103,035)	4.08%	(350)	
Jul-08	(103,035)				(103,035)	3.35%	(288)	
Aug-08	(103,035)				(103,035)	3.35%	(288)	
Sep-08	(103,035)				(103,035)	3.35%	(288)	
Oct-08	(103,035)				(103,035)	3.35%	(288)	
Nov-08	(103,035)				(103,035)	3.35%	(288)	
Dec-08	(103,035)				(103,035)	3.35%	(288)	
Jan-09	(103,035)				(103,035)	2.45%	(210)	
Feb-09	(103,035)				(103,035)	2.45%	(210)	
Mar-09	(103,035)				(103,035)	2.45%	(210)	
Apr-09	(103,035)				(103,035)	1.00%	(86)	
May-09	(103,035)				(103,035)	1.00%	(86)	
Jun-09	(103,035)				(103,035)	1.00%	(86)	
Jul-09	(103,035)				(103,035)	0.55%	(47)	
Aug-09	(103,035)				(103,035)	0.55%	(47)	
Sep-09	(103,035)				(103,035)	0.55%	(47)	
Oct-09	(103,035)				(103,035)	0.55%	(47)	
Nov-09	(103,035)				(103,035)	0.55%	(47)	
Dec-09	(103,035)				(103,035)	0.55%	(47)	
Jan-10	(103,035)				(103,035)	0.55%	(47)	
Feb-10	(103,035)				(103,035)	0.55%	(47)	
Mar-10	(103,035)				(103,035)	0.55%	(47)	
Apr-10	(103,035)				(103,035)	0.55%	(47)	
May-10	(103,035)				(103,035)	0.55%	(47)	

	Opening Balance	PILs Proxy	PILs Billed	True-up	Ending Balance	Interest Rate	Interest Amount
Jun-10	(103,035)				(103,035)	0.55%	(47)
Jul-10	(103,035)				(103,035)	0.89%	(76)
Aug-10	(103,035)				(103,035)	0.89%	(76)
Sep-10	(103,035)				(103,035)	0.89%	(76)
Oct-10	(103,035)				(103,035)	1.20%	(103)
Nov-10	(103,035)				(103,035)	1.20%	(103)
Dec-10	(103,035)				(103,035)	1.20%	(103)
		<b>9,564,919</b>	<b>(9,335,332)</b>	<b>(332,622)</b>			
							<b>106,547</b>

Summary:	PILs Proxy	9,564,919
	PILs Billed	(9,335,332)
	True-up adj	(332,622)
		(103,035)
	Interest	106,547
		<b>3,512</b>

#### Interest January 2011 to April 2012

Jan-11	(103,035)	1.47%	(126)
Feb-11	(103,035)	1.47%	(126)
Mar-11	(103,035)	1.47%	(126)
Apr-11	(103,035)	1.47%	(126)
May-11	(103,035)	1.47%	(126)
Jun-11	(103,035)	1.47%	(126)
Jul-11	(103,035)	1.47%	(126)
Aug-11	(103,035)	1.47%	(126)
Sep-11	(103,035)	1.47%	(126)
Oct-11	(103,035)	1.47%	(126)
Nov-11	(103,035)	1.47%	(126)
Dec-11	(103,035)	1.47%	(126)
Jan-12	(103,035)	1.47%	(126)
Feb-12	(103,035)	1.47%	(126)
Mar-12	(103,035)	1.47%	(126)
Apr-12	(103,035)	1.47%	(126)
			(2,019)

Add interest charges at December 31, 2010

106,547

Total interest charges to April 30, 2012

**104,528**

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>			Colour Code	
4	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>			Input Cell	
5	<b>Reporting period: 2005</b>			Formula in Cell	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
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%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			46,742,216	
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			4,003,471	
42					
43	1999 return from RUD Sheet #7			6,636	6,636
44					
45	Total Incremental revenue			3,996,835	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			1,332,278	1,332,278
48	Amount allowed in 2002			1,332,278	1,332,278
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		100.00%	1,332,278	1,332,279
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	<b>Total Regulatory Income</b>				<b>4,003,471</b>
55					
56	Equity			23,371,108	
57					
58	Return at target ROE			2,309,065	
59					
60	Debt			23,371,108	
61					
62	Deemed interest amount in 100% of MARR			1,694,405	
63					
64	Phase-in of interest - Year 1 (2001)			566,674	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,130,540	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,130,540	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,694,405	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>							
7	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	4,003,471		1,687,965		5,691,436	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	3,014,553		-281,327		2,733,226	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				2,496,158		2,496,158	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	1,724,296		173,092		1,897,388	
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	1,694,405		-104		1,694,301	
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	<b>CDM 2005 incremental OM&amp;A expenses per 2005 PILs model</b>	12	0		0		0	
45	Other Deductions (not "Material") "TAXREC"	12	288,640		-288,640		0	
46	Material Items from "TAXREC 2" worksheet	12	0		0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		3,310,683		4,018,448		7,329,131	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		1.1402%		37.26%	
54								
55	<b>REGULATORY INCOME TAX</b>		1,195,819		1,451,462	<b>Actual</b>	2,647,281	
56								
57								
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0	
59								
60	<b>Total Regulatory Income Tax</b>		1,195,819		1,451,462	<b>Actual</b>	2,647,281	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	46,742,216		5,085,649		51,827,865	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		0		7,500,000	
68	Taxable Capital		39,242,216		5,085,649		44,327,865	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%	per 3 applications	0.3000%	
71								
72	Ontario Capital Tax		117,727		15,257	<b>117,727</b>	132,984	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	46,742,216		3,940,728		50,682,944	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	49,275,000		-4,729,950		44,545,050	
77	Taxable Capital		0		-789,222		6,137,894	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		10,741		10,741	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		10,741		10,741	
83								
84	Net LCT		2,238		0	per 3 applications	0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>							
7	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,833,178			<b>Actual 2005</b>	2,647,281	
91	LCT (proxy tax is grossed-up)	23	2,750			<b>Actual 2005</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	117,727			<b>Actual 2005</b>	132,984	
93								
94					total 3 applications			
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2005</b>	25	1,953,655		1,953,655	<b>Actual 2005</b>	2,780,265	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
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	<b>In Deductions - positive numbers</b>							
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 I206)	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 (excluding surtax) from 2005 Utility's tax return			x	36.12%			
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)				35.00%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	3,310,683			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,195,819			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,195,819			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,195,819			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>							
7	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	46,742,216			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	39,242,216			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	117,727			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	117,727			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				46,742,216			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(3,257,784)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
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)			-	2,238			
173	Regulatory Federal LCT Variance			=	(2,238)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	0			
178	<b>LCT (grossed-up)</b>			+	(2,750)			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	(2,750)			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	(2,750)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				1,694,405			
194	Interest phased-in (Cell C36)				1,130,540			
195								
196	Variance due to phase-in of debt component of MARR in rates				563,866			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell K36+K41)				1,649,574			
202	Total deemed interest (REGINFO CELL D62)				1,694,405			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				563,866			
209								
210								
211								

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		<b>0</b>	<b>Return</b>				
5					<b>Version 2009.1</b>		
6	<b>Section A: Identification:</b>						
7	Utility Name: Peterborough Distribution Inc. (Consolidated)						
8	(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)						
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 :		<b>0</b>	< - enter materiality level			
14	(0.25% x Rate Base x CER)	Y/N					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	<b>Section B: Financial statements data:</b>						
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	<b>Income:</b>						
31	Energy Sales	+	64,347,477		64,347,477		
32	Distribution Revenue	+	13,605,355		13,605,355		
33	Other Income	+	714,456		714,456		
34	Miscellaneous income	+	339,423		339,423		
35		+			0		
36	Revenue should be entered above this line						
37							
38	<b>Costs and Expenses:</b>						
39	Cost of energy purchased	-	64,347,477		64,347,477		
40	Administration	-	1,730,591		1,730,591		
41	Customer billing and collecting	-	1,940,253		1,940,253		
42	Operations and maintenance	-	2,430,792		2,430,792		
43	Amortization	-	2,733,226		2,733,226		
44	Ontario Capital Tax	-	132,936		132,936		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	5,691,436	0	5,691,436		
51	Less: Interest expense for accounting purposes	-	1,694,301		1,694,301		
52	Provision for payments in lieu of income taxes	-	2,650,000		2,650,000		
53	<b>Net Income (loss)</b>	=	1,347,135	0	1,347,135		
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	<b>Section C: Reconciliation of accounting income to taxable income</b>						
57	<b>From T2 Schedule 1</b>						
58	<b>BOOK TO TAX ADDITIONS:</b>						
59	Provision for income tax	+	2,650,000	0	2,650,000		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	2,733,226	0	2,733,226		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		2,496,158	0	2,496,158		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	<b>Subtotal</b>		7,879,384	0	7,879,384		
71							
72	<b>Other Additions: (Please explain the nature of the additions)</b>						
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	<b>Total Other Additions</b>	=	0	0	0		
81							
82	<b>Total Additions</b>	=	7,879,384	0	7,879,384		
83							
84	<b>Recap Material Additions:</b>						
85			0	0	0		
86			0	0	0		
87			0	0	0		
88			0	0	0		

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		<b>0</b>	<b>Return</b>				
5					<b>Version 2009.1</b>		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	<i>Total Other additions &gt;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	-	1,897,388		1,897,388	▲	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	=	1,897,388	0	1,897,388		
114	Other deductions (Please explain the nature of the deductions)						
115	CDM expense trueup adjustment	-	551,940		551,940		
116	Gain on disposal of assets	-			0		
117	Capital tax per CT23	-			0		
118		-			0		
119		-			0		
120	Total Other Deductions	=	551,940	0	551,940		
121							
122	Total Deductions	=	2,449,328	0	2,449,328		
123							
124	Recap Material Deductions:						
125	CDM expense trueup adjustment		551,940	0	551,940		
126			0	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130	Total Other Deductions exceed materiality level		551,940	0	551,940		
131	Other Deductions less than materiality level		0	0	0		
132	Total Other Deductions		551,940	0	551,940		
133							
134	TAXABLE INCOME	=	6,777,191	0	6,777,191	▲	
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	6,777,191	0	6,777,191		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	1,621,203	0	1,621,203		
143	Net Ontario Income Tax (Must agree with tax return)	+	1,026,078	0	1,026,078		
144	Subtotal	=	2,647,281	0	2,647,281		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	2,647,281	0	2,647,281		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		15.14%		15.14%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		37.26%		37.26%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	2,647,281	0	2,647,281		
157	Ontario Capital Tax	+	132,984		132,984		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	2,780,265	0	2,780,265	▲	
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>					
8	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>					
9	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		+				
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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>					
9	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		0			
12						
13						
75				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	Loss per T5013	-			0	
93	Interest taxed in prior years	-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102	CDM		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	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	<b>Utility Name: Peterborough Distribution Inc. (Consolidated)</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	+	635		635	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>		0		0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	<b>Ontario capital tax adjustments</b>				0	
39	Allowance for deferred restructuring costs, (reversal)		2,179,623		2,179,623	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Reserve for unpaid amounts added back on T2S1	+	315,900		315,900	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	2,496,158	0	2,496,158	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	<b>Interest taxed in prior years</b>	-			0	
60	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
61	<b>Operating costs of Qualifying transitional asset</b>	-			0	
62	<b>Changes in Regulatory Asset balances</b>	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	<b>Loss per T5013</b>	-			0	
70		-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Peterborough Distribution Inc. (Consolidated)									
5	(Amalgamated Peterborough, Lakefield, Asphodel-Norwood)									
6										
7										
8	Table 1									
9	Rates Used in 2005 RAM PILs Applications for 2005									
10	Income Range		0		400,001					
11	RAM 2005		to		to		>1,128,000			
12		Year	400,000		1,128,000					
13	Income Tax Rate									
14	Proxy Tax Year	2005								
15	Federal (Includes surtax)		13.12%		17.75%		22.12%			
16	and Ontario blended		5.50%		9.75%		14.00%			
17	Blended rate		18.62%		27.50%		36.12%			
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,391,250							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	49,275,000							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25										
26	Table 2									
27	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
28	Income Range		0	250,001	400,001		>1,128,000			
29	Expected Rates		to	to	to					
30		Year	250,000	400,000	1,128,000					
31	Income Tax Rate									
32	Current year	2005								
33	Federal (Includes surtax)	2005	13.12%	22.12%	22.12%		22.12%			
34	Ontario	2005	5.50%	5.50%	9.75%		14.00%			
35	Blended rate	2005	18.62%	27.62%	31.87%		36.12%			
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2005	MAX \$7.5MM	7,500,000							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43										
44	Table 3									
45	Input Information from Utility's Actual 2005 Tax Returns									
46	Income Range		0	250,001	400,001		>1,128,000			
47		Year	to	to	to					
48			250,000	400,000	1,128,000					
49	Income Tax Rate									
50	Current year	2005								
51	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
52	Ontario		5.50%	5.50%	14.00%		14.00%			
53	Blended rate		18.62%	27.62%	36.12%		36.12%			
54	Capital Tax Rate		0.300%							
55	LCT rate		0.175%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,378,605							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	49,633,737							
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-2011-0207														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Peterborough Distribution Inc. (Consolidated)														Version 2009.1
4	(Amalgamated Peterborough, Lakefield, Asphodel-Nc														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		527,668		581,089		524,184		457,925		223,823		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	527,668		1,926,525		2,454,193		2,058,442		481,631		651,218		8,099,678
13	PILs proxy from April 1, 2005 - input 9/12 of amount										1,465,241				1,465,241
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-													0
21															
22	Ending balance: # 1562		527,668		581,089		524,184		457,925		223,823		17,554		17,554
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														3
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2008-381</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Peterborough Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2004</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	366	days		
7	<b>Total days in the calendar year:</b>	366	days		
8					
9	<b>BACKGROUND</b>				
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		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
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)				
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		76%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			44,725,919	
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			3,830,775	
42					
43	1999 return from RUD Sheet #7			-29,653	-29,653
44					
45	Total Incremental revenue			3,860,428	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			1,286,809	1,286,809
48	Amount allowed in 2002			1,286,809	1,286,809
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,286,809	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	<b>Total Regulatory Income</b>				<b>2,543,965</b>
55					
56	Equity			22,362,960	
57					
58	Return at target ROE			2,209,460	
59					
60	Debt			22,362,960	
61					
62	Deemed interest amount in 100% of MARR			1,621,315	
63					
64	Phase-in of interest - Year 1 (2001)			532,071	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,076,693	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,076,693	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,621,315	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial Estimate</b>		<b>M of F Filing Variance K-C</b>	<b>M of F Filing Variance Explanation</b>	<b>Tax Returns</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>								
3	<b>TAX CALCULATIONS (TAXCALC)</b>								
4	("Wires-only" business - see Tab TAXREC)								
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc.</b>								
7	<b>Reporting period: 2004</b>								
8									
9	<b>Days in reporting period:</b>	366	days				<b>Column Brought From TAXREC</b>		
10	<b>Total days in the calendar year:</b>	366	days						
11									
12			\$		\$		\$		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	2,573,618		2,984,115		5,557,733		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	2,917,487		-385,894		2,531,593		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				2,130		2,130		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	1,656,518		162,567		1,819,085		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	1,089,243		573,963		1,663,206		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				197,313		197,313		
49									
50	TAXABLE INCOME/ (LOSS)		2,745,344		1,666,508		4,411,852		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5000%		36.12%		
54									
55	REGULATORY INCOME TAX		1,060,252		515,248	Actual	1,575,500		
56									
57									
58	Miscellaneous Tax Credits	14			0	Actual	0		
59									
60	<b>Total Regulatory Income Tax</b>		1,060,252		515,248	Actual	1,575,500		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	44,725,919		-876,645		43,849,274	Enter from tax return	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	4,784,500		215,500		5,000,000	Enter from tax return	
68	Taxable Capital		39,941,419		-661,145		38,849,274		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		119,824		-3,276		116,548		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	44,725,919		-1,575,512		43,150,407	Enter from tax return	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	9,569,000		28,300,800		37,869,800	Enter from tax return	
77	Taxable Capital		35,156,919		26,725,288		5,280,607		
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)		79,103		-68,542		10,561		
82	Less: Federal Surtax 1.12% x Taxable Income	21	30,748		-20,187		10,561		
83									
84	Net LCT		48,355		-48,355		0		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%						
89									
90	Income Tax (proxy tax is grossed-up)	22	1,696,403			Actual 2004	1,575,500		
91	LCT (proxy tax is grossed-up)	23	77,368			Actual 2004	0		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	119,824			Actual 2004	116,548		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION</b>	25	1,893,596			Actual 2004	1,692,048		
96									
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				DR/(CR)				

	A	B	C	D	E	F	G	H	I
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: Peterborough Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
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 I206)	11			21,127				
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		=	-21,127				
121									
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	36.12%				
123									
124	Income Tax Effect on True-up adjustments			=	-7,631				
125									
126	Less: Miscellaneous Tax Credits	14			0				
127									
128	Total Income Tax on True-ups				-7,631				
129									
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%				
131									
132	TRUE-UP VARIANCE ADJUSTMENT				(11,740)				
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)			=	2,745,344				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%				
139									
140	REVISED REGULATORY INCOME TAX			=	991,618				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	991,618				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,060,252				
147									
148	Regulatory Income Tax Variance			=	(68,634)				
149									
150	Ontario Capital Tax								
151	Base			=	44,725,919				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000				
153	Revised deemed taxable capital			=	39,725,919				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	119,178				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	119,824				
159	Regulatory Ontario Capital Tax Variance			=	(647)				
160									
161	Federal LCT								
162	Base			=	44,725,919				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000				
164	Revised Federal LCT			=	(5,274,081)				
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)			-	48,355				
173	Regulatory Federal LCT Variance			=	(48,355)				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%				
176									
177	Income Tax (grossed-up)			+	(105,590)				
178	LCT (grossed-up)			+	(77,368)				
179	Ontario Capital Tax			+	(647)				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(183,605)				
182									
183	TRUE-UP VARIANCE (from cell I132)			+	(11,740)				
184									

	A	B	C	D	E	F	G	H	I
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: Peterborough Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(195,345)				
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)				1,621,315				
194	Interest phased-in (Cell C36)				1,076,693				
195									
196	Variance due to phase-in of debt component of MARR in rates				544,622				
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)				1,642,442				
202	Total deemed interest (REGINFO CELL D62)				1,621,315				
203									
204	Variance caused by excess debt				21,127				
205									
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				21,127				
207									
208	Total Interest Variance				523,494				
209									
210									
211									

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
6	<b>Section A: Identification:</b>						
7	Utility Name: Peterborough Distribution Inc.						
8	Reporting period: 2004						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		366	days			
12			0	< - enter materiality level			
13	Please enter the Materiality Level :						
14	(0.25% x Rate Base x CER)	Y/N					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	<b>Section B: Financial statements data:</b>						
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	<b>Income:</b>						
31	Energy Sales	+	64,597,026		64,597,026		
32	Distribution Revenue	+	12,230,247		12,230,247		
33	Other Income	+	683,991		683,991		
34	Miscellaneous income	+	335,196		335,196		
35		+			0		
36	Revenue should be entered above this line						
37							
38	<b>Costs and Expenses:</b>						
39	Cost of energy purchased	-	64,597,026		64,597,026		
40	Administration	-	1,214,181		1,214,181		
41	Customer billing and collecting	-	1,918,637		1,918,637		
42	Operations and maintenance	-	1,924,897		1,924,897		
43	Amortization	-	2,531,593		2,531,593		
44	Ontario Capital Tax	-	102,393		102,393		
45	Recovery of regulatory assets - expense	-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	5,557,733	0	5,557,733		
51	Less: Interest expense for accounting purposes	-	1,663,206		1,663,206		
52	Provision for payments in lieu of income taxes	-	1,602,278		1,602,278		
53	<b>Net Income (loss)</b>	=	2,292,249	0	2,292,249	▲	
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	<b>Section C: Reconciliation of accounting income to taxable income</b>						
57	<b>From T2 Schedule 1</b>						
58	<b>BOOK TO TAX ADDITIONS:</b>						
59	Provision for income tax	+	1,602,278	0	1,602,278	▲	
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	2,531,593	0	2,531,593	▲	
62	Employee benefit plans-accrued, not paid	+	0	0	0	▲	
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		2,130	0	2,130		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	<b>Subtotal</b>		4,136,001	0	4,136,001		
71							
72	<b>Other Additions: (Please explain the nature of the additions)</b>						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	<b>Total Other Additions</b>	=	0	0	0		
81							
82	<b>Total Additions</b>	=	4,136,001	0	4,136,001		
83							
84	<b>Recap Material Additions:</b>						
85			0	0	0		
86			0	0	0		
87			0	0	0		
88			0	0	0		

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
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	-	1,819,085		1,819,085	^	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		197,313	0	197,313		
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	=	2,016,398	0	2,016,398		
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	=	2,016,398	0	2,016,398		
123							
124	Recap Material Deductions:						
125			0	0	0		
126	Dividend Income		50,000	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130	Total Other Deductions exceed materiality level		50,000	0	0		
131	Other Deductions less than materiality level		-50,000	0	0		
132	Total Other Deductions		-50,000	0	0		
133							
134	TAXABLE INCOME	=	4,361,852	0	4,411,852		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	4,361,852	0	4,411,852		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	964,841	0	964,841		
143	Net Ontario Income Tax (Must agree with tax return)	+	610,659	0	610,659		
144	Subtotal	=	1,575,500	0	1,575,500		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	1,575,500	0	1,575,500		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	1,575,500	0	1,575,500		
157	Ontario Capital Tax	+	116,548		116,548		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	1,692,048	0	1,692,048		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Peterborough Distribution Inc.</b>					
8	<b>Reporting period: 2004</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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: Peterborough Distribution Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
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		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	Income per T5013	+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Peterborough Distribution Inc.</b>					
9	<b>Reporting period: 2004</b>					
10	<b>Number of days in taxation year:</b>		366			
11	<b>Materiality Level:</b>		0			
12						
13						
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		0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-			0	
97	Capital tax expense	-			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	<b>PILs TAXES - EB-2008-381</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Peterborough Distribution Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	+	1,452		1,452	^
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes		678		678	
37	Management bonuses unpaid after 180 days of year end				0	
38	<b>Ontario capital tax adjustments</b>				0	
39	Political Donations	+			0	^
40	<b>Changes in Regulatory Asset balances</b>	+			0	^
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Increase in contingent liability	+			0	
45	<b>Income per T5013</b>	+			0	^
46		+				
47	<b>Total Additions on which true-up does not apply</b>	=	2,130	0	2,130	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Operating costs of Qualifying transitional asset	-			0	^
60	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	^
61		-			0	
62	<b>Changes in Regulatory Asset balances</b>	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	Allowance for deferred restructuring cost	-	197,313		197,313	^
70		-			0	^
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	197,313	0	197,313	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Peterborough Distribution Inc.									
5	Reporting period: 2004									
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				>700000	
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
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)	2004	13.12%	22.12%	22.12%				22.12%	
33	Ontario	2004	5.50%	5.50%	9.75%				14.00%	
34	Blended rate	2004	18.62%	27.62%	31.87%				36.12%	
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	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	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
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	4,924,435							
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: Peterborough Distribution Inc.														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		-195,345		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		-195,345		-195,345		-195,345
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2008-381</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2004</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	366	days		
7	<b>Total days in the calendar year:</b>	366	days		
8					
9	<b>BACKGROUND</b>				
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	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	Y	
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			502,176	
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			43,011	
42					
43	1999 return from RUD Sheet #7			-5,052	-5,052
44					
45	Total Incremental revenue			48,063	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>26,990</b>
55					
56	Equity			251,088	
57					
58	Return at target ROE			24,807	
59					
60	Debt			251,088	
61					
62	Deemed interest amount in 100% of MARR			18,204	
63					
64	Phase-in of interest - Year 1 (2001)			4,642	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			11,423	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			11,423	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			18,204	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial Estimate</b>		<b>M of F Filing Variance K-C</b>	<b>M of F Filing Variance Explanation</b>	<b>Tax Returns</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>								
3	<b>TAX CALCULATIONS (TAXCALC)</b>								
4	("Wires-only" business - see Tab TAXREC)								
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>								
7	<b>Reporting period: 2004</b>								
8									
9	<b>Days in reporting period:</b>	366	days				<b>Column Brought From TAXREC</b>		
10	<b>Total days in the calendar year:</b>	366	days						
11									
12			\$		\$		\$		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	32,042		-15,292		16,750		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	26,015		-1,862		24,153		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				29		29		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	14,256		3,714		17,970		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	13,561		-12,705		856		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				5,252		5,252		
49									
50	TAXABLE INCOME/ (LOSS)		30,240		(13,386)		16,854		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		17.0079%		36.13%		
54									
55	REGULATORY INCOME TAX		5,782		307	Actual	6,089		
56									
57									
58	Miscellaneous Tax Credits	14			0	Actual	0		
59									
60	<b>Total Regulatory Income Tax</b>		5,782		307	Actual	6,089		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	502,176		182,818		684,994		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	53,500		-53,500		0		Enter from tax return
68	Taxable Capital		448,676		129,318		684,994		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		1,346		709		2,055		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	502,176		168,438		670,614		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	107,000		468,800		575,800		Enter from tax return
77	Taxable Capital		395,176		637,238		94,814		
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)		889		-700		190		
82	Less: Federal Surtax 1.12% x Taxable Income	21	339		-339		0		
83									
84	Net LCT		550		-361		190		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	7,052			Actual 2004	6,089		
91	LCT (proxy tax is grossed-up)	23	671			Actual 2004	189		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	1,346			Actual 2004	2,055		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION</b>	25	9,069			Actual 2004	8,333		
96									
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				DR/(CR)				

	A	B	C	D	E	F	G	H	I
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: Asphodel-Norwood Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
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 I206)	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 (excluding surtax) from 2004 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)			=	30,240				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	5,631				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	5,631				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	5,782				
147									
148	Regulatory Income Tax Variance			=	(151)				
149									
150	Ontario Capital Tax								
151	Base			=	502,176				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	0				
153	Revised deemed taxable capital			=	502,176				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	1,507				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	1,346				
159	Regulatory Ontario Capital Tax Variance			=	161				
160									
161	Federal LCT								
162	Base			=	502,176				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	575,800				
164	Revised Federal LCT			=	(73,624)				
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)			-	550				
173	Regulatory Federal LCT Variance			=	(550)				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%				
176									
177	Income Tax (grossed-up)			+	(183)				
178	LCT (grossed-up)			+	(671)				
179	Ontario Capital Tax			+	161				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(694)				
182									
183	TRUE-UP VARIANCE (from cell I132)			+	0				
184									

	A	B	C	D	E	F	G	H	I
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: Asphodel-Norwood Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(694)				
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)				18,204				
194	Interest phased-in (Cell C36)				11,423				
195									
196	Variance due to phase-in of debt component of MARR in rates				6,781				
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)				856				
202	Total deemed interest (REGINFO CELL D62)				18,204				
203									
204	Variance caused by excess debt				0				
205									
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0				
207									
208	Total Interest Variance				6,781				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	<b>Section A: Identification:</b>						
7	Utility Name: Asphodel-Norwood Distribution Inc.						
8	Reporting period: 2004						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		366	days			
12			0	< - enter materiality level			
13	Please enter the Materiality Level :						
14	(0.25% x Rate Base x CER)	Y/N					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	<b>Section B: Financial statements data:</b>						
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	<b>Income:</b>						
31	Energy Sales	+	1,124,827		1,124,827		
32	Distribution Revenue	+	159,899		159,899		
33	Other Income	+	15,901		15,901		
34	Miscellaneous income	+	16,905		16,905		
35		+			0		
36	Revenue should be entered above this line						
37							
38	<b>Costs and Expenses:</b>						
39	Cost of energy purchased	-	1,124,827		1,124,827		
40	Administration	-	18,399		18,399		
41	Customer billing and collecting	-	52,685		52,685		
42	Operations and maintenance	-	78,559		78,559		
43	Amortization	-	24,153		24,153		
44	Ontario Capital Tax	-	2,159		2,159		
45	Recovery of regulatory assets - expense	-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	16,750	0	16,750		
51	Less: Interest expense for accounting purposes	-	856		856		
52	Provision for payments in lieu of income taxes	-	6,020		6,020		
53	<b>Net Income (loss)</b>	=	9,874	0	9,874		
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	<b>Section C: Reconciliation of accounting income to taxable income</b>						
57	<b>From T2 Schedule 1</b>						
58	<b>BOOK TO TAX ADDITIONS:</b>						
59	Provision for income tax	+	6,020	0	6,020		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	24,153	0	24,153		
62	Employee benefit plans-accrued, not paid	+	0	0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		29	0	29		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	<b>Subtotal</b>		30,202	0	30,202		
71							
72	<b>Other Additions: (Please explain the nature of the additions)</b>						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	<b>Total Other Additions</b>	=	0	0	0		
81							
82	<b>Total Additions</b>	=	30,202	0	30,202		
83							
84	<b>Recap Material Additions:</b>						
85			0	0	0		
86			0	0	0		
87			0	0	0		
88			0	0	0		

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		<b>0</b>	<b>Return</b>				
5					<b>Version 2009.1</b>		
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	-	17,970		17,970		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		5,252	0	5,252		
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	=	23,222	0	23,222		
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	=	23,222	0	23,222		
123							
124	Recap Material Deductions:						
125			0	0	0		
126	Dividend Income		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	=	16,854	0	16,854		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	16,854	0	16,854		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	3,729	0	3,729		
143	Net Ontario Income Tax (Must agree with tax return)	+	2,360	0	2,360		
144	Subtotal	=	6,089	0	6,089		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	6,089	0	6,089		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.13%		22.13%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.13%		36.13%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	6,089	0	6,089		
157	Ontario Capital Tax	+	2,055		2,055		
158	Federal Large Corporations Tax	+	189		189		
159							
160	Total income and capital taxes	=	8,333	0	8,333		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
8	<b>Reporting period: 2004</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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: Asphodel-Norwood Distribution Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
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		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	Income per T5013	+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
9	<b>Reporting period: 2004</b>					
10	<b>Number of days in taxation year:</b>		366			
11	<b>Materiality Level:</b>		0			
12						
13						
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		0	
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97	Capital tax expense	-			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	<b>PILs TAXES - EB-2008-381</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7	0		Return			
8	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2004</b>					
12	<b>Number of days in taxation year:</b>		366			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	+	29		29	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	<b>Ontario capital tax adjustments</b>				0	
39	Political Donations	+			0	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Increase in contingent liability	+			0	
45	<b>Income per T5013</b>	+			0	
46		+				
47	<b>Total Additions on which true-up does not apply</b>	=	29	0	29	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Operating costs of Qualifying transitional asset	-			0	
60	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
61		-			0	
62	<b>Changes in Regulatory Asset balances</b>	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Allowance for deferred restructuring cost	-	5,252		5,252	
70		-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	5,252	0	5,252	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Asphodel-Norwood Distribution Inc.									
5	Reporting period: 2004									
6										
7										
8	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to				>700000	
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
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)	2004	13.12%	22.12%	22.12%				22.12%	
33	Ontario	2004	5.50%	5.50%	9.75%				14.00%	
34	Blended rate	2004	18.62%	27.62%	31.87%				36.12%	
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	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	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
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	4,924,435							
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: Asphodel-Norwood Distribution Inc.														Version 2009.1
4	Reporting period: 2004				Sign Convention: + for increase; - for decrease										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		-694		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-									0				0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-									-694				-694
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		-694		-694		-694
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:										3				
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2008-381</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2004</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	366	days		
7	<b>Total days in the calendar year:</b>	366	days		
8					
9	<b>BACKGROUND</b>				
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		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
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)				
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			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			1,514,121	
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			129,684	
42					
43	1999 return from RUD Sheet #7			41,341	41,341
44					
45	Total Incremental revenue			88,343	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>73,383</b>
55					
56	Equity			757,061	
57					
58	Return at target ROE			74,798	
59					
60	Debt			757,061	
61					
62	Deemed interest amount in 100% of MARR			54,887	
63					
64	Phase-in of interest - Year 1 (2001)			24,278	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			31,058	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			31,058	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			54,887	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial Estimate</b>		<b>M of F Filing Variance K-C</b>	<b>M of F Filing Variance Explanation</b>	<b>Tax Returns</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>								
3	<b>TAX CALCULATIONS (TAXCALC)</b>								
4	("Wires-only" business - see Tab TAXREC)								
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>								
7	<b>Reporting period: 2004</b>								
8									
9	<b>Days in reporting period:</b>	366	days				<b>Column Brought From TAXREC</b>		
10	<b>Total days in the calendar year:</b>	366	days				<b>\$</b>		
11									
12			\$		\$				
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	100,237		118,139		218,376		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	71,051		8,531		79,582		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				136		136		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	57,883		-50		57,833		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	42,424		-40,277		2,147		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				9,213		9,213		
49									
50	TAXABLE INCOME/ (LOSS)		70,981		157,920		228,901		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		17.0000%		36.12%		
54									
55	REGULATORY INCOME TAX		13,572		69,107	Actual	82,679		
56									
57									
58	Miscellaneous Tax Credits	14			0	Actual	0		
59									
60	<b>Total Regulatory Income Tax</b>		13,572		69,107	Actual	82,679		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	1,514,121		340,425		1,854,546	Enter from tax return	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	162,000		-162,000		0	Enter from tax return	
68	Taxable Capital		1,352,121		178,425		1,854,546		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		4,056		1,507		5,564		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	1,514,121		299,405		1,813,526	Enter from tax return	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	324,000		207,500		531,500	Enter from tax return	
77	Taxable Capital		1,190,121		506,905		1,282,026		
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)		2,678		-114		2,564		
82	Less: Federal Surtax 1.12% x Taxable Income	21	795		1,769		2,564		
83									
84	Net LCT		1,883		-1,883		0		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	16,551			Actual 2004	82,679		
91	LCT (proxy tax is grossed-up)	23	2,296			Actual 2004	0		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	4,056			Actual 2004	5,564		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION</b>	25	22,903			Actual 2004	88,243		
96									
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				DR/(CR)				

	A	B	C	D	E	F	G	H	I
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: Asphodel-Norwood Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
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 I206)	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 (excluding surtax) from 2004 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)			=	70,981				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	13,217				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	13,217				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	13,572				
147									
148	Regulatory Income Tax Variance			=	(355)				
149									
150	Ontario Capital Tax								
151	Base			=	1,514,121				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	0				
153	Revised deemed taxable capital			=	1,514,121				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	4,542				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	4,056				
159	Regulatory Ontario Capital Tax Variance			=	486				
160									
161	Federal LCT								
162	Base			=	1,514,121				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	531,500				
164	Revised Federal LCT			=	982,621				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%				
167									
168	Gross Amount				1,965				
169	Less: Federal surtax			-	795				
170	Revised Net LCT			=	1,170				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	1,883				
173	Regulatory Federal LCT Variance			=	(713)				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%				
176									
177	Income Tax (grossed-up)			+	(430)				
178	LCT (grossed-up)			+	(864)				
179	Ontario Capital Tax			+	486				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(808)				
182									
183	TRUE-UP VARIANCE (from cell I132)			+	0				
184									

	A	B	C	D	E	F	G	H	I
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: Asphodel-Norwood Distribution Inc.								
7	Reporting period: 2004								
8									
9	Days in reporting period:	366	days				Column		
10	Total days in the calendar year:	366	days				Brought		
11							From		
12			\$		\$		TAXREC		
13							\$		
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(808)				
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)				54,887				
194	Interest phased-in (Cell C36)				31,058				
195									
196	Variance due to phase-in of debt component of MARR in rates				23,829				
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)				2,147				
202	Total deemed interest (REGINFO CELL D62)				54,887				
203									
204	Variance caused by excess debt				0				
205									
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0				
207									
208	Total Interest Variance				23,829				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	<b>Section A: Identification:</b>						
7	Utility Name: Asphodel-Norwood Distribution Inc.						
8	Reporting period: 2004						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		366	days			
12			0	< - enter materiality level			
13	Please enter the Materiality Level :						
14	(0.25% x Rate Base x CER)	Y/N					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	<b>Section B: Financial statements data:</b>						
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	<b>Income:</b>						
31	Energy Sales	+	2,877,247		2,877,247		
32	Distribution Revenue	+	532,086		532,086		
33	Other Income	+	33,100		33,100		
34	Miscellaneous income	+	27,293		27,293		
35		+			0		
36	Revenue should be entered above this line						
37							
38	<b>Costs and Expenses:</b>						
39	Cost of energy purchased	-	2,877,247		2,877,247		
40	Administration	-	54,149		54,149		
41	Customer billing and collecting	-	85,783		85,783		
42	Operations and maintenance	-	148,936		148,936		
43	Amortization	-	79,582		79,582		
44	Ontario Capital Tax	-	5,653		5,653		
45	Recovery of regulatory assets - expense	-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	218,376	0	218,376		
51	Less: Interest expense for accounting purposes	-	2,147		2,147		
52	Provision for payments in lieu of income taxes	-	84,555		84,555		
53	<b>Net Income (loss)</b>	=	131,674	0	131,674		
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	<b>Section C: Reconciliation of accounting income to taxable income</b>						
57	<b>From T2 Schedule 1</b>						
58	<b>BOOK TO TAX ADDITIONS:</b>						
59	Provision for income tax	+	84,555	0	84,555		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	79,582	0	79,582		
62	Employee benefit plans-accrued, not paid	+	0	0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		136	0	136		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	<b>Subtotal</b>		164,273	0	164,273		
71							
72	<b>Other Additions: (Please explain the nature of the additions)</b>						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	<b>Total Other Additions</b>	=	0	0	0		
81							
82	<b>Total Additions</b>	=	164,273	0	164,273		
83							
84	<b>Recap Material Additions:</b>						
85			0	0	0		
86			0	0	0		
87			0	0	0		
88			0	0	0		

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
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	-	57,833		57,833		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		9,213	0	9,213		
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	=	67,046	0	67,046		
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	=	67,046	0	67,046		
123							
124	Recap Material Deductions:						
125			0	0	0		
126	Dividend Income		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	=	228,901	0	228,901		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	228,901	0	228,901		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	50,633	0	50,633		
143	Net Ontario Income Tax (Must agree with tax return)	+	32,046	0	32,046		
144	Subtotal	=	82,679	0	82,679		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	82,679	0	82,679		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	82,679	0	82,679		
157	Ontario Capital Tax	+	5,564		5,564		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	88,243	0	88,243		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
8	<b>Reporting period: 2004</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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: Asphodel-Norwood Distribution Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
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		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	Income per T5013	+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
9	<b>Reporting period: 2004</b>					
10	<b>Number of days in taxation year:</b>		366			
11	<b>Materiality Level:</b>		0			
12						
13						
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		0	
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97	Capital tax expense	-			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	<b>PILs TAXES - EB-2008-381</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Asphodel-Norwood Distribution Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	+	136		136	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	<b>Ontario capital tax adjustments</b>				0	
39	Political Donations	+			0	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Increase in contingent liability	+			0	
45	<b>Income per T5013</b>	+			0	
46		+				
47	<b>Total Additions on which true-up does not apply</b>	=	136	0	136	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Operating costs of Qualifying transitional asset	-			0	
60	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
61		-			0	
62	<b>Changes in Regulatory Asset balances</b>	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Allowance for deferred restructuring cost	-	9,213		9,213	
70		-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	9,213	0	9,213	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Asphodel-Norwood Distribution Inc.									
5	Reporting period: 2004									
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				>700000	
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
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)	2004	13.12%	22.12%	22.12%				22.12%	
33	Ontario	2004	5.50%	5.50%	9.75%				14.00%	
34	Blended rate	2004	18.62%	27.62%	31.87%				36.12%	
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	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	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
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	4,924,435							
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: Asphodel-Norwood Distribution Inc.														Version 2009.1
4	Reporting period: 2004				Sign Convention: + for increase; - for decrease										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		-808		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-									0				0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-									-808				-808
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		-808		-808		-808
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:										3				
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Peterborough Distribution Inc.			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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
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%	
23					
24	Accounting Year End		Date	12-31-2003	
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)			44,725,919	
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			3,830,775	
42					
43	1999 return from RUD Sheet #7			-29,653	-29,653
44					
45	Total Incremental revenue			3,860,428	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			1,286,809	1,286,809
48	Amount allowed in 2002			1,286,806	1,286,806
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,286,809	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				2,543,962
55					
56	Equity			22,362,960	
57					
58	Return at target ROE			2,209,460	
59					
60	Debt			22,362,960	
61					
62	Deemed interest amount in 100% of MARR			1,621,315	
63					
64	Phase-in of interest - Year 1 (2001)			532,071	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,076,691	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,076,691	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,621,315	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc.</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	2,573,618		3,642,903		6,216,521		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	2,917,487		-459,634		2,457,853		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	1,656,518		144,070		1,800,588		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	1,089,243		583,101		1,672,344		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				197,314		197,314		
49									
50	<b>TAXABLE INCOME/ (LOSS)</b>		2,745,344		2,258,784		5,004,128		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%		
54									
55	<b>REGULATORY INCOME TAX</b>		1,060,252		772,260	<b>Actual</b>	1,832,512		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		1,060,252		772,260	<b>Actual</b>	1,832,512		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	44,725,919		-1,261,892		43,464,027		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	4,784,500		215,500		5,000,000		Enter from tax return
68	Taxable Capital		39,941,419		-1,046,392		38,464,027		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		119,824		-4,432		115,392		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	44,725,919		-1,920,772		42,805,147		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	9,569,000		431,000		10,000,000		Enter from tax return
77	Taxable Capital		35,156,919		-1,489,772		32,805,147		
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)		79,103		-5,291		73,812		
82	Less: Federal Surtax 1.12% x Taxable Income	21	30,748		25,298		56,046		per Sch 33 of tax return
83									
84	Net LCT		48,355		-30,590		17,766		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%						
89									
90	Income Tax (proxy tax is grossed-up)	22	1,696,403			<b>Actual 2003</b>	1,832,512		
91	LCT (proxy tax is grossed-up)	23	77,368			<b>Actual 2003</b>	17,766		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	119,824			<b>Actual 2003</b>	115,393		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	1,893,596			<b>Actual 2003</b>	1,965,671		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc.</b>								
7	<b>Reporting period: 2003</b>								
8									
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>		
11							<b>From</b>		
12							<b>TAXREC</b>		
13							<b>\$</b>		
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	<b>In Deductions - positive numbers</b>								
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 I206)	11			13,941				
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		=	-13,941				
121									
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	36.62%				
123									
124	Income Tax Effect on True-up adjustments			=	-5,105				
125									
126	Less: Miscellaneous Tax Credits	14			0				
127									
128	Total Income Tax on True-ups				-5,105				
129									
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%				
131									
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				(7,915)				
133									goes to PILs 1562 Calculation
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>								
135									
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	2,745,344				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	1,005,345				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	1,005,345				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,060,252				
147									
148	Regulatory Income Tax Variance			=	(54,907)				
149									
150	<b>Ontario Capital Tax</b>								
151	Base			=	44,725,919				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000				
153	Revised deemed taxable capital			=	39,725,919				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	119,178				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	119,824				
159	Regulatory Ontario Capital Tax Variance			=	(647)				
160									
161	<b>Federal LCT</b>								
162	Base			=	44,725,919				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000				
164	Revised Federal LCT			=	34,725,919				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%				
167									
168	Gross Amount				78,133				
169	Less: Federal surtax			-	30,748				
170	Revised Net LCT			=	47,385				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	48,355				
173	Regulatory Federal LCT Variance			=	(970)				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%				
176									
177	Income Tax (grossed-up)			+	(85,127)				
178	LCT (grossed-up)			+	(1,503)				
179	Ontario Capital Tax			+	(647)				
180									
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	(87,277)				
182									
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	(7,915)				
184									
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	(95,192)				
186	(Deferral Account Variance + True-up Variance)								
187									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc.</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
188									
189									
190	<b>V) INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				1,621,315				
194	Interest phased-in (Cell C36)				1,076,691				
195									
196	Variance due to phase-in of debt component of MARR in rates				544,623				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				1,635,256				Adj for interest on customer deposits
202	Total deemed interest (REGINFO CELL D62)				1,621,315				
203									
204	Variance caused by excess debt				13,941				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				13,941				
207									
208	<b>Total Interest Variance</b>				530,682				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILS TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: Peterborough Distribution Inc.						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N	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	+	47,527,994		47,527,994		
32	Distribution Revenue	+	12,555,083		12,555,083		
33	Other Income	+	585,027		585,027		
34	Miscellaneous income	+	321,730		321,730		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	47,527,994		47,527,994		
40	Administration	-	1,330,991		1,330,991		
41	Customer billing and collecting	-	1,304,597		1,304,597		
42	Operations and maintenance	-	2,023,852		2,023,852		
43	Amortization	-	2,457,853		2,457,853		
44	Ontario Capital Tax	-	128,026		128,026		
45		-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	6,216,521	0	6,216,521		
51	Less: Interest expense for accounting purposes	-	1,672,344		1,672,344		
52	Provision for payments in lieu of income taxes	-	1,818,162		1,818,162		Includes LCT
53	Net Income (loss)	=	2,726,015	0	2,726,015	^	
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	+	1,818,162	0	1,818,162	^	Includes OCT, LCT
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	2,457,853	0	2,457,853	^	
62	Employee benefit plans-accrued, not paid	+	0	0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		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		4,276,015	0	4,276,015		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	4,276,015	0	4,276,015		
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	-	1,800,588		1,800,588	^	
98	Cumulative eligible capital deduction	-	0		0	^	
99	Employee benefit plans-paid amounts	-	0		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		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		197,314	0	197,314		
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	=	1,997,902	0	1,997,902		
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	=	1,997,902	0	1,997,902		
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	=	5,004,128	0	5,004,128		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	5,004,128	0	5,004,128	^	agreed to tax return T2 SCH 1
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	1,206,996		1,206,996		agreed to T2 tax return - page 7
143	Net Ontario Income Tax (Must agree with tax return)	+	625,516		625,516		agreed to CT23 tax return - page 8
144	Subtotal	=	1,832,512	0	1,832,512		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	1,832,512	0	1,832,512		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.62%		36.62%		agreed rate to pg 17 of EB-2008-0381
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	1,832,512	0	1,832,512		
157	Ontario Capital Tax	+	115,393		115,393		
158	Federal Large Corporations Tax	+	17,766		17,766		
159							
160	Total income and capital taxes	=	1,965,671	0	1,965,671		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name:Peterborough Distribution Inc.</b>					
8	<b>Reporting period: 2003</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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	<b>RATEPAYERS ONLY</b>		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Peterborough Distribution Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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	Political donations	+			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	Income per T5013	+			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	

	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	<b>RATEPAYERS ONLY</b>		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Peterborough Distribution Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
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		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		0	^
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-	0		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	G
1							
2	<b>PILs TAXES - EB-2008-381</b>						
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>						
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only		
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax		
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
7		0	Return				
8	Utility Name: Peterborough Distribution Inc.				Version 2009.1		
9							
10							
11	Reporting period: 2003						
12	Number of days in taxation year:		365				
13							
14							
15							
16	<b>Section C: Reconciliation of accounting income to taxable income</b>						
17	<b>Add:</b>						
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		0	^	
33	Non-deductible club dues	+			0		
34	Non-deductible automobile costs	+			0		
35	<b>Donations - amount per books</b>		0		0	^	
36	Interest and penalties on unpaid taxes		0		0	^	
37	Management bonuses unpaid after 180 days of year end				0		
38	Imputed interest expense on Regulatory Assets				0		
39		+			0		
40	<b>Ontario capital tax adjustments</b>	+			0		
41	<b>Changes in Regulatory Asset balances</b>	+	0		0	^	
42		+			0		
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0		
44	Income per T5013	+	0		0		
45		+			0		
46		+			0		
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0		
48							
49	<b>Deduct:</b>						
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	<b>Donations - amount deductible for tax purposes</b>	-			0		
58	Income from joint ventures or partnerships	-			0		
59	Operating costs of Qualifying transitional asset	-	0		0	^	
60		-			0		
61		-			0		
62		-			0		
63		-			0		
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0	^	
65		-			0		
66	<b>Changes in Regulatory Asset balances</b>	-			0		
67		-			0		
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0		
69	<b>Allowance for deferred restructuring cost</b>	-	197,314		197,314		
70		-			0		
71		-			0		
72		-			0		
73	<b>Total Deductions on which true-up does not apply</b>	=	197,314	0	197,314		
74							
75							

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name:Peterborough Distribution Inc.									
5	Reporting period: 2003									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to			>700000		
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001					
28	Expected Rates		to		to			>700000		
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%					24.12%		
33	Ontario	2003	6.00%					12.50%		
34	Blended rate	2003	19.12%		34.12%			36.62%		
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	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		200,001					
46			to		to			>700,000		
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%		22.12%			24.12%	24.12%	0.00%
51	Ontario		6.00%		9.75%			12.50%	12.50%	0.00%
52	Blended rate		19.12%		31.87%			36.62%	36.62%	0.00%
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,668,892							
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										

24.12%    0.00%  
12.50%    0.00%  
36.62%    0.00%

[illegible]

	A	B	C	D	E
1	<b>PILs TAXES - EB-2008-381</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>			<u>Colour Code</u>	
4	<b>Reporting period: 2003</b>			<b>Input Cell</b>	
5				<b>Formula in Cell</b>	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			502,176	
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			43,011	
42					
43	1999 return from RUD Sheet #7			-5,052	-5,052
44					
45	Total Incremental revenue			48,063	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>26,990</b>
55					
56	Equity			251,088	
57					
58	Return at target ROE			24,807	
59					
60	Debt			251,088	
61					
62	Deemed interest amount in 100% of MARR			18,204	
63					
64	Phase-in of interest - Year 1 (2001)			4,642	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			11,423	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			11,423	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			18,204	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		0					<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	32,042		-2,687		29,355		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	26,015		-2,194		23,821		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	14,253		3,084		17,337		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	13,561		-12,593		968		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				5,252		5,252		
49									
50	<b>TAXABLE INCOME/ (LOSS)</b>		30,243		(624)		29,619		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		-6.7023%		12.42%		
54									
55	<b>REGULATORY INCOME TAX</b>		5,782		-2,104	<b>Actual</b>	3,678		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		5,782		-2,104	<b>Actual</b>	3,678		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	502,176		50,764		552,940		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	53,500		-53,500		0		Enter from tax return
68	Taxable Capital		448,676		-2,736		552,940		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		1,346		313		1,659		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	502,176		10,754		512,930		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	107,000		-107,000		0		Enter from tax return
77	Taxable Capital		395,176		-96,246		512,930		
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)		889		265		1,154		
82	Less: Federal Surtax 1.12% x Taxable Income	21	339		-227		112		
83									
84	Net LCT		550		492		1,042		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	7,052			<b>Actual 2003</b>	3,678		
91	LCT (proxy tax is grossed-up)	23	671			<b>Actual 2003</b>	1,042		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	1,346			<b>Actual 2003</b>	1,659		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	9,069			<b>Actual 2003</b>	6,379		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
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	<b>In Deductions - positive numbers</b>								
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 I206)	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 (excluding surtax) from 2003 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	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0				
133									
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>								
135									
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	30,243				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	5,631				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	5,631				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	5,782				
147									
148	Regulatory Income Tax Variance			=	(151)				
149									
150	<b>Ontario Capital Tax</b>								
151	Base			=	552,940				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	0				
153	Revised deemed taxable capital			=	552,940				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	1,659				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	1,346				
159	Regulatory Ontario Capital Tax Variance			=	313				
160									
161	<b>Federal LCT</b>								
162	Base			=	512,930				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0				
164	Revised Federal LCT			=	512,930				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			=	0.2250%				
167									
168	Gross Amount			=	1,154				
169	Less: Federal surtax			-	112				
170	Revised Net LCT			=	1,042				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	550				
173	Regulatory Federal LCT Variance			=	492				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)			=	17.50%				
176									
177	Income Tax (grossed-up)			+	(183)				
178	LCT (grossed-up)			+	596				
179	Ontario Capital Tax			+	313				
180									
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	725				
182									
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0				
184									
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	725				
186	(Deferral Account Variance + True-up Variance)								
187									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	<b>365</b>	<b>days</b>				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	<b>365</b>	<b>days</b>				<b>From</b>		
11							<b>TAXREC</b>		
12			<b>\$</b>		<b>\$</b>		<b>\$</b>		
13									
188									
189									
190	<b>V) INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				<b>18,204</b>				
194	Interest phased-in (Cell C36)				<b>11,423</b>				
195									
196	Variance due to phase-in of debt component of MARR in rates				<b>6,781</b>				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				<b>968</b>				
202	Total deemed interest (REGINFO CELL D62)				<b>18,204</b>				
203									
204	Variance caused by excess debt				<b>0</b>				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				<b>0</b>				
207									
208	<b>Total Interest Variance</b>				<b>6,781</b>				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: Asphodel-Norwood Distribution Inc						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N	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	+	1,025,174		1,025,174		
32	Distribution Revenue	+	160,569		160,569		
33	Other Income	+	13,287		13,287		
34	Miscellaneous income	+	16,460		16,460		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	1,025,174		1,025,174		
40	Administration	-	22,006		22,006		
41	Customer billing and collecting	-	50,644		50,644		
42	Operations and maintenance	-	61,484		61,484		
43	Amortization	-	23,821		23,821		
44	Ontario Capital Tax	-	3,006		3,006		
45		-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	29,355	0	29,355		
51	Less: Interest expense for accounting purposes	-	968		968		
52	Provision for payments in lieu of income taxes	-	5,827		5,827		
53	Net Income (loss)	=	22,560	0	22,560		
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	+	5,827	0	5,827		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	23,821	0	23,821		
62	Employee benefit plans-accrued, not paid	+	0	0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		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		29,648	0	29,648		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	29,648	0	29,648		
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	-	17,337		17,337		
98	Cumulative eligible capital deduction	-	0		0		
99	Employee benefit plans-paid amounts	-	0		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		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		5,252	0	5,252		
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	=	22,589	0	22,589		
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	=	22,589	0	22,589		
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	=	29,619	0	29,619		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	29,619	0	29,619		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	2,422		2,422		
143	Net Ontario Income Tax (Must agree with tax return)	+	1,256		1,256		
144	Subtotal	=	3,678	0	3,678		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	3,678	0	3,678		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		8.18%		8.18%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		4.24%		4.24%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		12.42%		12.42%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	3,678	0	3,678		
157	Ontario Capital Tax	+	1,659		1,659		
158	Federal Large Corporations Tax	+	1,042		1,042		
159							
160	Total income and capital taxes	=	6,379	0	6,379		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>					
8	<b>Reporting period: 2003</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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: Asphodel-Norwood Distribution Inc					
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	Political donations	+			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	Income per T5013	+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>					
9	<b>Reporting period: 2003</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		0			
12						
13						
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		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		0	^
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-	0		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	G
1							
2	<b>PILs TAXES - EB-2008-381</b>						
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>						
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only		
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax		
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
7	0		Return				
8	Utility Name: Asphodel-Norwood Distribution Inc				Version 2009.1		
9							
10							
11	Reporting period: 2003						
12	Number of days in taxation year:		365				
13							
14							
15							
16	<b>Section C: Reconciliation of accounting income to taxable income</b>						
17	<b>Add:</b>						
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		0	^	
33	Non-deductible club dues	+			0		
34	Non-deductible automobile costs	+			0		
35	<b>Donations - amount per books</b>		0		0	^	
36	Interest and penalties on unpaid taxes		0		0	^	
37	Management bonuses unpaid after 180 days of year end				0		
38	Imputed interest expense on Regulatory Assets				0		
39		+			0		
40	<b>Ontario capital tax adjustments</b>	+			0		
41	<b>Changes in Regulatory Asset balances</b>	+	0		0	^	
42		+			0		
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0		
44	Income per T5013	+	0		0		
45		+			0		
46		+			0		
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0		
48							
49	<b>Deduct:</b>						
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	<b>Donations - amount deductible for tax purposes</b>	-			0		
58	Income from joint ventures or partnerships	-			0		
59	Operating costs of Qualifying transitional asset	-	0		0		
60		-			0		
61		-			0		
62		-			0		
63		-			0		
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0		
65		-			0		
66	<b>Changes in Regulatory Asset balances</b>	-			0		
67		-			0		
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0		
69	<b>Allowance for deferred restructuring cost</b>	-	5,252		5,252		
70		-			0		
71		-			0		
72		-			0		
73	<b>Total Deductions on which true-up does not apply</b>	=	5,252	0	5,252		
74							
75							

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Asphodel-Norwood Distribution Inc									
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			>700000		
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001					
28	Expected Rates		to		to			>700000		
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%					24.12%		
33	Ontario	2003	5.50%					12.50%		
34	Blended rate	2003	18.62%		34.12%			36.62%		
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	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		200,001					
46			to		to			>700,000		
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%		22.12%			24.12%		
51	Ontario		5.50%		9.75%			12.50%		
52	Blended rate		18.62%		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 \$5MM	4,668,892							
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										

24.12%	0.00%
12.50%	0.00%
36.62%	0.00%

24.12% 0.00%  
12.50% 0.00%  
36.62% 0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2008-381</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name: Asphodel-Norwood Distribution Inc</b>														<b>Version 2009.1</b>
4	<b>Reporting period: 2003</b>				<b>Sign Convention: + for increase; - for decrease</b>										<b>0</b>
5															
6															
7															
8	<b>Year start:</b>		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	<b>Year end:</b>		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		<b>Total</b>
10															
11	<b>Opening balance:</b>	=	0		0		0		0		0		0		0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-					0		0		0		0		0
13	<b>PILs proxy from April 1, 2005 - input 9/12 of amount</b>														0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													0
15	<b>True-up Variance Adjustment (3)</b>	+/-											0		0
16	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>														0
17	<b>Deferral Account Variance Adjustment (5)</b>	+/-											725		725
18	<b>Adjustments to reported prior years' variances (6)</b>	+/-													0
19	<b>Carrying charges (7)</b>	+/-													0
20	<b>PILs billed to (collected from) customers (8)</b>	-													0
21															
22	<b>Ending balance: # 1562</b>		0		0		0		0		0		725		725
23															
24															
25															
26	<b>Uncollected PILs</b>														
27															
28	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>										<b>3</b>				
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2008-381</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Lakefield Distribution Inc</b>			<u>Colour Code</u>	
4	<b>Reporting period: 2003</b>			<b>Input Cell</b>	
5				<b>Formula in Cell</b>	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			1,514,121	
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			129,684	
42					
43	1999 return from RUD Sheet #7			41,341	41,341
44					
45	Total Incremental revenue			88,343	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>73,383</b>
55					
56	Equity			757,061	
57					
58	Return at target ROE			74,798	
59					
60	Debt			757,061	
61					
62	Deemed interest amount in 100% of MARR			54,887	
63					
64	Phase-in of interest - Year 1 (2001)			24,278	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			31,058	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			31,058	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			54,887	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Lakefield Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	100,237		170,540		270,777		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	71,051		-4,484		66,567		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	53,525		-535		52,990		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0		
37	Interest Expense Deemed/ Incurred	11	42,424		-40,936		1,488		
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			1,200		1,200		
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0		
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				9,213		9,213		
49									
50	<b>TAXABLE INCOME/ (LOSS)</b>		75,339		197,114		272,453		
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		13.9998%		33.12%		
54									
55	<b>REGULATORY INCOME TAX</b>		14,405		75,831	<b>Actual</b>	90,236		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		14,405		75,831	<b>Actual</b>	90,236		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	1,514,121		36,865		1,550,986	Enter from tax return	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	162,000		-162,000		0	Enter from tax return	
68	Taxable Capital		1,352,121		-125,135		1,550,986		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		4,056		597		4,653		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	1,514,121		-16,353		1,497,768	Enter from tax return	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	324,000		-324,000		0	Enter from tax return	
77	Taxable Capital		1,190,121		-340,353		1,497,768		
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)		2,678		692		3,370		
82	Less: Federal Surtax 1.12% x Taxable Income	21	844		2,207		3,051	per Sch 33 of tax return	
83									
84	Net LCT		1,834		-1,515		319		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	17,567			<b>Actual 2003</b>	90,236		
91	LCT (proxy tax is grossed-up)	23	2,237			<b>Actual 2003</b>	319		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	4,056			<b>Actual 2003</b>	4,653		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	23,860			<b>Actual 2003</b>	95,208		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Lakefield Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
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	<b>In Deductions - positive numbers</b>								
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 I206)	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			1,200				
119									
120	Total TRUE-UPS before tax effect	26		=	-1,200				
121									
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	18.62%				
123									
124	Income Tax Effect on True-up adjustments			=	-223				
125									
126	Less: Miscellaneous Tax Credits	14			0				
127									
128	Total Income Tax on True-ups				-223				
129									
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%				
131									
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				(271)				
133									
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>								
135									
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	75,339				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	18.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	14,028				
141									
142	Less: Revised Miscellaneous Tax Credits			-	0				
143									
144	Total Revised Regulatory Income Tax			=	14,028				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	14,405				
147									
148	Regulatory Income Tax Variance			=	(377)	Pre tax variance			
149									
150	<b>Ontario Capital Tax</b>								
151	Base			=	1,550,986				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	0				
153	Revised deemed taxable capital			=	1,550,986				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	4,653				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	4,056				
159	Regulatory Ontario Capital Tax Variance			=	597				
160									
161	<b>Federal LCT</b>								
162	Base			=	1,497,968				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0				
164	Revised Federal LCT			=	1,497,968				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			=	0.2250%				
167									
168	Gross Amount			=	3,370				
169	Less: Federal surtax			-	112				
170	Revised Net LCT			=	3,258				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	1,834				
173	Regulatory Federal LCT Variance			=	1,424				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)			=	17.50%				
176									
177	Income Tax (grossed-up)			+	(457)				
178	LCT (grossed-up)			+	1,727				
179	Ontario Capital Tax			+	597				
180									
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	1,867				
182									
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	(271)				
184									
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	1,596				
186	(Deferral Account Variance + True-up Variance)								
187									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5		<b>0</b>					<b>Version 2009.1</b>		
6	<b>Utility Name: Lakefield Distribution Inc</b>								
7	<b>Reporting period: 2003</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
188									
189									
190	<b>V) INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				54,887				
194	Interest phased-in (Cell C36)				31,058				
195									
196	Variance due to phase-in of debt component of MARR in rates				23,829				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				1,488				
202	Total deemed interest (REGINFO CELL D62)				54,887				
203									
204	Variance caused by excess debt				0				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0				
207									
208	<b>Total Interest Variance</b>				23,829				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILS TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: Lakefield Distribution Inc						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N	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	+	2,573,293		2,573,293		
32	Distribution Revenue	+	516,127		516,127		
33	Other Income	+	38,757		38,757		
34	Miscellaneous income	+	28,005		28,005		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	2,573,293		2,573,293		
40	Administration	-	63,706		63,706		
41	Customer billing and collecting	-	84,349		84,349		
42	Operations and maintenance	-	93,016		93,016		
43	Amortization	-	66,567		66,567		
44	Ontario Capital Tax	-	4,474		4,474		
45		-			0		
46		-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	270,777	0	270,777		
51	Less: Interest expense for accounting purposes	-	1,488		1,488		
52	Provision for payments in lieu of income taxes	-	90,039		90,039		
53	Net Income (loss)	=	179,250	0	179,250		
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	+	90,039	0	90,039		
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	66,567	0	66,567		
62	Employee benefit plans-accrued, not paid	+	0	0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		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		156,606	0	156,606		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	156,606	0	156,606		
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	-	52,990		52,990		
98	Cumulative eligible capital deduction	-	0		0		
99	Employee benefit plans-paid amounts	-	0		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		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		9,213	0	9,213		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	1,200	0	1,200		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	63,403	0	63,403		
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	=	63,403	0	63,403		
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	=	272,453	0	272,453		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	272,453	0	272,453		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	60,266		60,266		
143	Net Ontario Income Tax (Must agree with tax return)	+	29,970		29,970		
144	Subtotal	=	90,236	0	90,236		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	90,236	0	90,236		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		11.00%		11.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		33.12%		33.12%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	90,236	0	90,236		
157	Ontario Capital Tax	+	4,653		4,653		
158	Federal Large Corporations Tax	+	319		319		
159							
160	Total income and capital taxes	=	95,208	0	95,208		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Lakefield Distribution Inc</b>					
8	<b>Reporting period: 2003</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	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: Lakefield Distribution Inc					
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	Political donations	+			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	Income per T5013	+			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	

	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	<b>RATEPAYERS ONLY</b>		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Lakefield Distribution Inc					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
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		0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-	1,200		1,200	
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		0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	1,200	0	1,200	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104	Terminal loss from Schedule 8		1,200	0	1,200	
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		1,200	0	1,200	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		1,200	0	1,200	
122						

	A	B	C	D	E	F	G
1							
2	<b>PILs TAXES - EB-2008-381</b>						
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>						
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only		
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax		
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
7	0		Return				
8	Utility Name: Lakefield Distribution Inc				Version 2009.1		
9							
10							
11	Reporting period: 2003						
12	Number of days in taxation year:		365				
13							
14							
15							
16	<b>Section C: Reconciliation of accounting income to taxable income</b>						
17	<b>Add:</b>						
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		0	^	
33	Non-deductible club dues	+			0		
34	Non-deductible automobile costs	+			0		
35	<b>Donations - amount per books</b>		0		0	^	
36	Interest and penalties on unpaid taxes		0		0	^	
37	Management bonuses unpaid after 180 days of year end				0		
38	Imputed interest expense on Regulatory Assets				0		
39		+			0		
40	<b>Ontario capital tax adjustments</b>	+			0		
41	<b>Changes in Regulatory Asset balances</b>	+	0		0	^	
42		+			0		
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0		
44	Income per T5013	+	0		0		
45		+			0		
46		+			0		
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0		
48							
49	<b>Deduct:</b>						
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	<b>Donations - amount deductible for tax purposes</b>	-			0		
58	Income from joint ventures or partnerships	-			0		
59	Operating costs of Qualifying transitional asset	-	0		0	^	
60		-			0		
61		-			0		
62		-			0		
63		-			0		
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0	^	
65		-			0		
66	<b>Changes in Regulatory Asset balances</b>	-			0		
67		-			0		
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0		
69	<b>Allowance for deferred restructuring cost</b>	-	9,213		9,213		
70		-			0		
71		-			0		
72		-			0		
73	<b>Total Deductions on which true-up does not apply</b>	=	9,213	0	9,213		
74							
75							

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Lakefield Distribution Inc									
5	Reporting period: 2003									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to			>700000		
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001					
28	Expected Rates		to		to			>700000		
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%					24.12%		
33	Ontario	2003	5.50%					12.50%		
34	Blended rate	2003	18.62%		34.12%			36.62%		
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	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		200,001					
46			to		to			>700,000		
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%		22.12%			24.12%		
51	Ontario		5.50%		9.75%			12.50%		
52	Blended rate		18.62%		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 \$5MM	4,668,892							
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										

24.12%	0.00%
12.50%	0.00%
36.62%	0.00%

24.12% 0.00%  
12.50% 0.00%  
36.62% 0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2008-381</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name: Lakefield Distribution Inc</b>														<b>Version 2009.1</b>
4	<b>Reporting period: 2003</b>														<b>0</b>
5															
6															
7															
8	<b>Year start:</b>		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	<b>Year end:</b>		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		<b>Total</b>
10															
11	<b>Opening balance:</b>	=	0		0		0		0		0		0		0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-					0		0		0		0		0
13	<b>PILs proxy from April 1, 2005 - input 9/12 of amount</b>														0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													0
15	<b>True-up Variance Adjustment (3)</b>	+/-													0
16	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>														0
17	<b>Deferral Account Variance Adjustment (5)</b>	+/-													0
18	<b>Adjustments to reported prior years' variances (6)</b>	+/-													0
19	<b>Carrying charges (7)</b>	+/-													0
20	<b>PILs billed to (collected from) customers (8)</b>	-													0
21															
22	<b>Ending balance: # 1562</b>		0		0		0		0		0		1,596		1,596
23															
24															
25															
26	<b>Uncollected PILs</b>														
27															
28	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3</b>														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name:</b> Peterborough Distribution Inc			Colour Code	
4	<b>Reporting period:</b> 2002			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		95.7%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		95.7%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			44,725,919	
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			3,830,775	
42					
43	1999 return from RUD Sheet #7			-29,653	-29,653
44					
45	Total Incremental revenue			3,860,428	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			1,286,809	1,286,809
48	Amount allowed in 2002			1,286,809	1,286,809
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,286,809	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	<b>Total Regulatory Income</b>				<b>2,543,965</b>
55					
56	Equity			22,362,960	
57					
58	Return at target ROE			2,209,460	
59					
60	Debt			22,362,960	
61					
62	Deemed interest amount in 100% of MARR			1,621,315	
63					
64	Phase-in of interest - Year 1 (2001)			532,071	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,076,693	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,076,693	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,621,315	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc</b>								
7	<b>Reporting period: 2002</b>								
8									
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>		
11							<b>From</b>		
12							<b>TAXREC</b>		
13							<b>\$</b>		
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	2,573,618		2,176,120		4,749,738		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	2,917,487		-629,862		2,287,625		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	1,656,518		138,771		1,795,289		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0		
37	Interest Expense Deemed/ Incurred	11	1,089,243		608,037		1,697,280		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				2,193,844		2,193,844		
49									
50	TAXABLE INCOME/ (LOSS)		2,745,344		(1,394,394)		1,350,950		=s T2 SCH1 (01)
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%		
54									
55	<b>REGULATORY INCOME TAX</b>		1,060,252		-677,015	<b>Actual</b>	383,237		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		1,060,252		-677,015	<b>Actual</b>	383,237		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	44,725,919		113,931		44,839,850		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	4,784,500		-1,621,255		3,163,245		Enter from tax return
68	Taxable Capital		39,941,419		-1,507,324		41,676,605		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		119,824		5,206	<b>Overpaid</b>	125,030		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	44,725,919		235,438		44,961,357		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	9,569,000		431,000		10,000,000		Enter from tax return
77	Taxable Capital		35,156,919		666,438		34,961,357		
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)		79,103		-440		78,663		
82	Less: Federal Surtax 1.12% x Taxable Income	21	30,748		-19,634		11,114		
83									
84	Net LCT		48,355		19,194		67,549		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross-up (exclude surtax)		37.50%						
89									
90	Income Tax (proxy tax is grossed-up)	22	1,696,403			<b>Actual 2002</b>	383,237		
91	LCT (proxy tax is grossed-up)	23	77,368			<b>Actual 2002</b>	67,549		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	119,824			<b>Actual 2002</b>	125,030		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	1,893,596			<b>Actual 2002</b>	575,816		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	PILs TAXES - EB-2011-0207	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns		
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance			
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation			
4	("Wires-only" business - see Tab TAXREC)								
5	0						Version 2009.1		
6	Utility Name: Peterborough Distribution Inc								
7	Reporting period: 2002								
8									
9	Days in reporting period:	365	days				Column Brought From		
10	Total days in the calendar year:	365	days				TAXREC		
11									
12			\$		\$		\$		
13									
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			63,364				
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		=	-63,364				
121									
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	38.62%				
123									
124	Income Tax Effect on True-up adjustments			=	-24,471				
125									
126	Less: Miscellaneous Tax Credits	14			0				
127									
128	Total Income Tax on True-ups				-24,471				
129									
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%				
131									
132	TRUE-UP VARIANCE ADJUSTMENT				(39,154)				
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)			=	2,745,344				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%				
139									
140	REVISED REGULATORY INCOME TAX			=	1,060,252				
141									
142	Less: Revised Miscellaneous Tax Credits			-					
143									
144	Total Revised Regulatory Income Tax			=	1,060,252				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,060,252				
147									
148	Regulatory Income Tax Variance			=	0				
149									
150	Ontario Capital Tax								
151	Base			=	44,725,919				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000				
153	Revised deemed taxable capital			=	39,725,919				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	119,178				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	119,824				
159	Regulatory Ontario Capital Tax Variance			=	(647)				
160									
161	Federal LCT								
162	Base			=	44,725,919				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000				
164	Revised Federal LCT			=	34,725,919				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%				
167									
168	Gross Amount				78,133				
169	Less: Federal surtax			-	30,748				
170	Revised Net LCT			=	47,385				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	48,355				
173	Regulatory Federal LCT Variance			=	(970)				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%				
176									
177	Income Tax (grossed-up)			+	0				
178	LCT (grossed-up)			+	(1,552)				
179	Ontario Capital Tax			+	(647)				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(2,198)				
182									
183	TRUE-UP VARIANCE (from cell I130)			+	(39,154)				
184									
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(41,352)				
186	(Deferral Account Variance + True-up Variance)								
187									
188									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Peterborough Distribution Inc</b>								
7	<b>Reporting period: 2002</b>								
8									
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>		
11							<b>From</b>		
12			\$		\$		<b>TAXREC</b>		
13							\$		
189									
190	<b>VI INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				1,621,315				
194	Interest phased-in (Cell C36)				1,076,693				
195									
196	Variance due to phase-in of debt component of MARR in rates				544,622				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				1,684,679				Adjusted - remove int on cust deposits
202	Total deemed interest (REGINFO CELL D62)				1,621,315				
203									
204	Variance caused by excess debt				63,364				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				63,364				
207									
208	<b>Total Interest Variance</b>				481,257				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2011-0207	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: Peterborough Distribution Inc						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	+	55,718,845		55,718,845		
32	Distribution Revenue	+	11,363,388		11,363,388		
33	Other Income	+	650,598		650,598		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	55,718,845		55,718,845		
40	Administration	-	1,252,954		1,252,954		
41	Customer billing and collecting	-	1,713,519		1,713,519		Added back interest expense on deposits here
42	Operations and maintenance	-	1,883,150		1,883,150		
43	Amortization	-	2,287,625		2,287,625		
44	Ontario Capital Tax	-	127,000		127,000		
45	Reg Assets	-	0		0		
46		-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	4,749,738	0	4,749,738		
51	Less: Interest expense for accounting purposes	-	1,697,280		1,697,280		Removed interest expense on cust. Deposits
52	Provision for payments in lieu of income taxes	-	448,416		448,416		Includes LCT
53	Net Income (loss)	=	2,604,042	0	2,604,042	^	
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	+	448,816	0	448,816	^	Includes OCT, LCT
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	2,287,625	0	2,287,625	^	
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		2,736,441	0	2,736,441		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+	0		0	^	
75	Capital items expensed	+			0		
76	DEPRECIATION DIFFERENCE	+			0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	2,736,441	0	2,736,441		
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							

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
96	<b>BOOK TO TAX DEDUCTIONS:</b>						
97	Capital cost allowance	-	1,795,289		1,795,289	^	
98	Cumulative eligible capital deduction	-	0		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		2,193,844	0	2,193,844		
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	=	3,989,133	0	3,989,133		
114	Other deductions (Please explain the nature of the deductions)						
115	<b>Charitable donations - tax basis</b>	-			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	=	3,989,133	0	3,989,133		
123							
124	<b>Recap Material Deductions:</b>						
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	<b>TAXABLE INCOME</b>	=	1,351,350	0	1,351,350	^	
135	<b>DEDUCT:</b>						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	<b>NET TAXABLE INCOME</b>	=	1,351,350	0	1,351,350		
140							
141	<b>FROM ACTUAL TAX RETURNS</b>						
142	Net Federal Income Tax (Must agree with tax return)	+	259,196		259,196		
143	Net Ontario Income Tax (Must agree with tax return)	+	124,041		124,041		
144	Subtotal	=	383,237	0	383,237		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	<b>Total Income Tax</b>	=	383,237	0	383,237		
147							
148	<b>FROM ACTUAL TAX RETURNS</b>						
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		38.62%	*****	38.62%		
152							
153	<b>Section F: Income and Capital Taxes</b>						
154							
155	<b>RECAP</b>						
156	Total Income Taxes	+	383,237	0	383,237		
157	Ontario Capital Tax	+	125,030		125,030		
158	Federal Large Corporations Tax	+	67,549		67,549		
159							
160	<b>Total income and capital taxes</b>	=	575,816	0	575,816		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Peterborough Distribution Inc</b>					
8	<b>Reporting period: 2002</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Peterborough Distribution Inc					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		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	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Peterborough Distribution Inc</b>					
9	<b>Reporting period: 2002</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		0			
12						
13						
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		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	Regulatory Adjustment - Re Notice of Objection	-				
93		-			0	
94	Operating costs of Qualifying transitional asset	-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7	<b>0</b>		Return			
8	<b>Utility Name: Peterborough Distribution Inc</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2002</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	<b>Donations - amount per books</b>				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	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income per T5013	+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0	▲
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Allowance for deferred restructuring cost	-	861,016		861,016	▲
70	Allowance for pre-market energy variance	-	1,332,828		1,332,828	▲
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	2,193,844	0	2,193,844	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name:Peterborough Distribution Inc									
5	Reporting period: 2002									
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					
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							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0		200,001					
28	Expected Rates		to		to					
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	Table 3									
44	Input Information from Utility's Actual 2002 Tax Returns									
45	Income Range		0		200,001					
46			to		to					
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		13.12%		26.12%			26.12%		
51	Ontario		6.00%		12.50%			12.50%		
52	Blended rate		19.12%		38.62%			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	4,668,892							
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										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2011-0207</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name:</b> Peterborough Distribution Inc														<b>Version 2009.1</b>
4	<b>Reporting period:</b> 2002														<b>0</b>
5															
6															
7															
8	<b>Year start:</b>		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	<b>Year end:</b>		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		<b>Total</b>
10															
11	<b>Opening balance:</b>	=	0		0		0		0		0		0		0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-	0				0		0		0		0		0
13	<b>PILs proxy from April 1, 2005 - input 9/12 of amount</b>														0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													0
15	<b>True-up Variance Adjustment (3)</b>	+/-													0
16	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>														0
17	<b>Deferral Account Variance Adjustment (5)</b>	+/-													0
18	<b>Adjustments to reported prior years' variances (6)</b>	+/-													0
19	<b>Carrying charges (7)</b>	+/-													0
20	<b>PILs billed to (collected from) customers (8)</b>	-													0
21															
22	<b>Ending balance: # 1562</b>		0		0		0		0		0		-41,352		-41,352
23															
24															
25															
26	<b>Uncollected PILs</b>														
27															
28	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>														<b>3</b>
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2002</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			502,176	
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			43,011	
42					
43	1999 return from RUD Sheet #7			-5,052	-5,052
44					
45	Total Incremental revenue			48,063	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>26,990</b>
55					
56	Equity			251,088	
57					
58	Return at target ROE			24,807	
59					
60	Debt			251,088	
61					
62	Deemed interest amount in 100% of MARR			18,204	
63					
64	Phase-in of interest - Year 1 (2001)			4,642	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			11,423	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			11,423	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			18,204	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>								
7	<b>Reporting period: 2002</b>								
8									
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>		
11							<b>From</b>		
12							<b>TAXREC</b>		
13									
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	32,042		-29,128		2,914		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	26,015		-4,514		21,501		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	14,253		1,897		16,150		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0		
37	Interest Expense Deemed/ Incurred	11	13,561		-12,757		804		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				20,376		20,376		
49									
50	TAXABLE INCOME/ (LOSS)		30,243		(43,158)		(12,915)		=s T2 SCH1 (01)
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		0.0000%		19.12%		
54									
55	<b>REGULATORY INCOME TAX</b>		5,782		-5,782	<b>Actual</b>	0		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		5,782		-5,782	<b>Actual</b>	0		
61									
62									
63	<b>II) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	502,176		2,004		504,180		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	53,500		-17,932		35,568		
68	Taxable Capital		448,676		-15,928		468,612		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		1,346		60	<b>Overpaid</b>	1,406		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	502,176		-45,808		456,368		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	107,000		-107,000		0		Enter from tax return
77	Taxable Capital		395,176		-152,808		456,368		
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)		889		138		1,027		
82	Less: Federal Surtax 1.12% x Taxable Income	21	339		10,775		11,114		
83									
84	Net LCT		550		-10,638		-10,087		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	7,052			<b>Actual 2002</b>	0		
91	LCT (proxy tax is grossed-up)	23	671			<b>Actual 2002</b>	1,027		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	1,346			<b>Actual 2002</b>	1,406		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	9,069			<b>Actual 2002</b>	2,433		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	PILs TAXES - EB-2011-0207	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns		
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance			
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation			
4	("Wires-only" business - see Tab TAXREC)								
5	0						Version 2009.1		
6	Utility Name: Asphodel-Norwood Distribution Inc.								
7	Reporting period: 2002								
8									
9	Days in reporting period:	365	days				Column Brought From		
10	Total days in the calendar year:	365	days				TAXREC		
11									
12			\$		\$		\$		
13									
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 (excluding surtax) from 2002 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)			=	30,243				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%				
139									
140	REVISED REGULATORY INCOME TAX			=	5,782				
141									
142	Less: Revised Miscellaneous Tax Credits			-					
143									
144	Total Revised Regulatory Income Tax			=	5,782				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	5,782				
147									
148	Regulatory Income Tax Variance			=	0				
149									
150	Ontario Capital Tax								
151	Base			=	502,176				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	35,568				
153	Revised deemed taxable capital			=	466,608				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	1,400				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	1,346				
159	Regulatory Ontario Capital Tax Variance			=	54				
160									
161	Federal LCT								
162	Base			=	502,176				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0				
164	Revised Federal LCT			=	502,176				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%				
167									
168	Gross Amount				1,130				
169	Less: Federal surtax			-	339				
170	Revised Net LCT			=	791				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	550				
173	Regulatory Federal LCT Variance			=	241				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%				
176									
177	Income Tax (grossed-up)			+	0				
178	LCT (grossed-up)			+	294				
179	Ontario Capital Tax			+	54				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	347				
182									
183	TRUE-UP VARIANCE (from cell I130)			+	0				
184									
185	Total Deferral Account Entry (Positive Entry = Debit)			=	347				
186	(Deferral Account Variance + True-up Variance)								
187									
188									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>								
7	<b>Reporting period: 2002</b>								
8							<b>Column</b>		
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
189									
190	<b>VI INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				18,204				
194	Interest phased-in (Cell C36)				11,423				
195									
196	Variance due to phase-in of debt component of MARR in rates				6,781				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				804				
202	Total deemed interest (REGINFO CELL D62)				18,204				
203									
204	Variance caused by excess debt				0				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				0				
207									
208	<b>Total Interest Variance</b>				6,781				
209									
210									
211									

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2011-0207	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: Asphodel-Norwood Distribution Inc.						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	+	1,169,092		1,169,092		
32	Distribution Revenue	+	150,508		150,508		
33	Other Income	+	25,627		25,627		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	1,169,092		1,169,092		
40	Administration	-	21,179		21,179		
41	Customer billing and collecting	-	51,977		51,977		
42	Operations and maintenance	-	78,564		78,564		
43	Amortization	-	21,501		21,501		
44	Ontario Capital Tax	-	0		0		
45	Reg Assets	-	0		0		
46		-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	2,914	0	2,914		
51	Less: Interest expense for accounting purposes	-	804		804		
52	Provision for payments in lieu of income taxes	-	0		0		
53	Net Income (loss)	=	2,110	0	2,110		
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	+	21,501	0	21,501		
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		21,501	0	21,501		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+	0		0		
75	Capital items expensed	+			0		
76	DEPRECIATION DIFFERENCE	+			0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	21,501	0	21,501		
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							

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		<b>0</b>	<b>Return</b>				
5					<b>Version 2009.1</b>		
96	<b>BOOK TO TAX DEDUCTIONS:</b>						
97	Capital cost allowance	-	16,150		16,150		
98	Cumulative eligible capital deduction	-	0		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		20,376	0	20,376		
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	=	36,526	0	36,526		
114	Other deductions (Please explain the nature of the deductions)						
115	<b>Charitable donations - tax basis</b>	-			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	=	36,526	0	36,526		
123							
124	<b>Recap Material Deductions:</b>						
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	<b>TAXABLE INCOME</b>	=	-12,915	0	-12,915		= T2 SCH1
135	<b>DEDUCT:</b>						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	<b>NET TAXABLE INCOME</b>	=	(12,915)	0	(12,915)		
140							
141	<b>FROM ACTUAL TAX RETURNS</b>						
142	Net Federal Income Tax (Must agree with tax return)	+	0		0		
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0		
144	Subtotal	=	0	0	0		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	<b>Total Income Tax</b>	=	0	0	0		
147							
148	<b>FROM ACTUAL TAX RETURNS</b>						
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		6.00%		6.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		19.12%	*****	19.12%		
152							
153	<b>Section F: Income and Capital Taxes</b>						
154							
155	<b>RECAP</b>						
156	Total Income Taxes	+	0	0	0		
157	Ontario Capital Tax	+	1,406		1,406		
158	Federal Large Corporations Tax	+	1,027		1,027		
159							
160	<b>Total income and capital taxes</b>	=	2,433	0	2,433		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
8	<b>Reporting period: 2002</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Asphodel-Norwood Distribution Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		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	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>					
9	<b>Reporting period: 2002</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		0			
12						
13						
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		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	Regulatory Adjustment - Re Notice of Objection	-			0	
93		-			0	
94	Operating costs of Qualifying transitional asset	-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7	<b>0</b>		Return			
8	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2002</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	<b>Donations - amount per books</b>				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	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income per T5013	+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Allowance for deferred restructuring cost	-	10,759		10,759	
70	Allowance for pre-market energy variance	-	9,617		9,617	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	20,376	0	20,376	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	<b>PILs TAXES - EB-2011-0207</b>									
2	<b>Corporate Tax Rates</b>									
3	<b>Exemptions, Deductions, or Thresholds</b>									
4	Utility Name: Asphodel-Norwood Distribution Inc.									
5	Reporting period: 2002									
6										
7										
8	<b>Table 1</b>									
9	<b>Rates Used in 2002 RAM PILs Applications for 2002</b>									
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
11	RAM 2002	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	<b>**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing</b>									
24										
25	<b>Table 2</b>									
26	<b>Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002</b>									
27	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
28	Expected Rates	Year								
29										
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	<b>***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>									
42										
43	<b>Table 3</b>									
44	<b>Input Information from Utility's Actual 2002 Tax Returns</b>									
45	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
46		Year								
47										
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		13.12%		26.12%		26.12%			
51	Ontario		6.00%		12.50%		12.50%			
52	Blended rate		19.12%		38.62%		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	4,668,892							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2011-0207</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name: Asphodel-Norwood Distribution Inc.</b>														<b>Version 2009.1</b>
4	<b>Reporting period: 2002</b>														<b>0</b>
5	<b>Sign Convention: + for increase; - for decrease</b>														
6															
7															
8	<b>Year start:</b>		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	<b>Year end:</b>		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		<b>Total</b>
10															
11	<b>Opening balance:</b>	=	0	0	0	0	0	0	0	0	0	0	0	0	0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-	0												
13	<b>PILs proxy from April 1, 2005 - input 9/12 of amount</b>														
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													
15	<b>True-up Variance Adjustment (3)</b>	+/-													
16	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>														
17	<b>Deferral Account Variance Adjustment (5)</b>	+/-													
18	<b>Adjustments to reported prior years' variances (6)</b>	+/-													
19	<b>Carrying charges (7)</b>	+/-													
20	<b>PILs billed to (collected from) customers (8)</b>	-													
21															
22	<b>Ending balance: # 1562</b>		0	0	0	0	0	0	0	0	0	347	347		
23															
24															
25															
26	<b>Uncollected PILs</b>														
27															
28	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>														
32	<b>3</b>														
33															
34	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
35	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
36	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
37	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
38	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
39	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
40	(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.														
41	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
42															
43	(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														
44	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
45															
46	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
47	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
48															
49	(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														
50	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
51															
52	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
53	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
54															
55	(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															
59	(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														
60	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														
61	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
62	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
63															
64	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
65	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;														
66	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
67															
68	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
69	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
70															
71	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
72	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
73	to calculate the recovery for the period January 1 to March 31, 2005.														
74															
75	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
76	will have to include amounts from 1562 and from 1590.														
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name: Lakefield Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2002</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	365	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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	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%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			1,514,121	
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			129,684	
42					
43	1999 return from RUD Sheet #7			41,341	41,341
44					
45	Total Incremental revenue			88,343	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	16,021
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>73,383</b>
55					
56	Equity			757,061	
57					
58	Return at target ROE			74,798	
59					
60	Debt			757,061	
61					
62	Deemed interest amount in 100% of MARR			54,887	
63					
64	Phase-in of interest - Year 1 (2001)			24,278	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			31,058	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			31,058	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			54,887	
71					
72					

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	<b>Utility Name: Lakefield Distribution Inc.</b>								
7	<b>Reporting period: 2002</b>								
8									
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>		
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>		
11							<b>From</b>		
12			\$		\$		<b>TAXREC</b>		
13							\$		
14	<b>II) CORPORATE INCOME TAXES</b>								
15									
16	Regulatory Net Income REGINFO E53	1	100,237		-6,879		93,358		
17									
18	<b>BOOK TO TAX ADJUSTMENTS</b>								
19	<b>Additions:</b>								
20	Depreciation & Amortization	2	71,051		-3,008		68,043		
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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0		
31									
32	<b>Deductions: Input positive numbers</b>								
33	Capital Cost Allowance and CEC	7	53,525		-796		52,729		
34	Employee Benefit Plans - Paid Amounts	8			0		0		
35	Items Capitalized for Regulatory Purposes	9	0		0		0		
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0		
37	Interest Expense Deemed/ Incurred	11	42,424		-41,052		1,372		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				43,570		43,570		
49									
50	TAXABLE INCOME/ (LOSS)		75,339		(11,609)		63,730		=s T2 SCH1 (01)
51									
52	<b>BLENDED INCOME TAX RATE</b>								
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		19.4996%		38.62%		
54									
55	<b>REGULATORY INCOME TAX</b>		14,405		-6,152	<b>Actual</b>	8,253		
56									
57									
58	Miscellaneous Tax Credits	14			0	<b>Actual</b>	0		
59									
60	<b>Total Regulatory Income Tax</b>		14,405		-6,152	<b>Actual</b>	8,253		
61									
62									
63	<b>III) CAPITAL TAXES</b>								
64									
65	<b>Ontario</b>								
66	Base	15	1,514,121		90,332		1,604,453		Enter from tax return
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	162,000		-48,813		113,187		
68	Taxable Capital		1,352,121		41,519		1,491,266		
69									
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%		
71									
72	Ontario Capital Tax		4,056		417	<b>Overpaid</b>	4,474		
73									
74	<b>Federal Large Corporations Tax</b>								
75	Base	18	1,514,121		41,127		1,555,248		Enter from tax return
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	324,000		-324,000		0		Enter from tax return
77	Taxable Capital		1,190,121		-282,873		1,555,248		
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)		2,678		822		3,499		
82	Less: Federal Surtax 1.12% x Taxable Income	21	844		-605		239		
83									
84	Net LCT		1,834		1,426		3,260		
85									
86	<b>III) INCLUSION IN RATES</b>								
87									
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%						
89									
90	Income Tax (proxy tax is grossed-up)	22	17,567			<b>Actual 2002</b>	8,253		
91	LCT (proxy tax is grossed-up)	23	2,237			<b>Actual 2002</b>	3,260		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	4,056			<b>Actual 2002</b>	4,474		
93									
94									
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	23,860			<b>Actual 2002</b>	15,987		
96	<b>RAM DECISION</b>								
97									
98									
99	<b>IV) FUTURE TRUE-UPS</b>								
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>				
101	<b>In Additions:</b>								
102	Employee Benefit Plans - Accrued, Not Paid	3			0				

	A	B	C	D	E	F	G	H	I
1	PILs TAXES - EB-2011-0207	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns		
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance			
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation			
4	("Wires-only" business - see Tab TAXREC)								
5	0						Version 2009.1		
6	Utility Name: Lakefield Distribution Inc.								
7	Reporting period: 2002								
8									
9	Days in reporting period:	365	days				Column Brought From		
10	Total days in the calendar year:	365	days				TAXREC		
11									
12			\$		\$		\$		
13									
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 (excluding surtax) from 2002 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)			=	75,339				
137									
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%				
139									
140	REVISED REGULATORY INCOME TAX			=	14,405				
141									
142	Less: Revised Miscellaneous Tax Credits			-					
143									
144	Total Revised Regulatory Income Tax			=	14,405				
145									
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	14,405				
147									
148	Regulatory Income Tax Variance			=	0				
149									
150	Ontario Capital Tax								
151	Base			=	1,514,121				
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	113,187				
153	Revised deemed taxable capital			=	1,400,934				
154									
155	Rate - Tab Tax Rates cell C54			x	0.3000%				
156									
157	Revised Ontario Capital Tax			=	4,203				
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	4,056				
159	Regulatory Ontario Capital Tax Variance			=	146				
160									
161	Federal LCT								
162	Base				1,514,121				
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	0				
164	Revised Federal LCT			=	1,514,121				
165									
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%				
167									
168	Gross Amount				3,407				
169	Less: Federal surtax			-	844				
170	Revised Net LCT			=	2,563				
171									
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	1,834				
173	Regulatory Federal LCT Variance			=	729				
174									
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%				
176									
177	Income Tax (grossed-up)			+	0				
178	LCT (grossed-up)			+	889				
179	Ontario Capital Tax			+	146				
180									
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	1,035				
182									
183	TRUE-UP VARIANCE (from cell I130)			+	0				
184									
185	Total Deferral Account Entry (Positive Entry = Debit)			=	1,035				
186	(Deferral Account Variance + True-up Variance)								
187									
188									

	A	B	C	D	E	F	G	H	I
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>		
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>		
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>			
4	("Wires-only" business - see Tab TAXREC)				<b>K-C</b>	<b>Explanation</b>			
5	0						<b>Version 2009.1</b>		
6	Utility Name: Lakefield Distribution Inc.								
7	Reporting period: 2002								
8							<b>Column</b>		
9	Days in reporting period:	365	days				<b>Brought</b>		
10	Total days in the calendar year:	365	days				<b>From</b>		
11							<b>TAXREC</b>		
12			\$		\$		\$		
13									
189									
190	<b>VI INTEREST PORTION OF TRUE-UP</b>								
191	<b>Variance Caused By Phase-in of Deemed Debt</b>								
192									
193	Total deemed interest (REGINFO)				54,887				
194	Interest phased-in (Cell C36)				31,058				
195									
196	Variance due to phase-in of debt component of MARR in rates				23,829				
197	according to the Board's decision								
198									
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>								
200	<b>Above Deemed Debt per Rate Handbook)</b>								
201	Interest deducted on MoF filing (Cell K36+K41)				1,372				
202	Total deemed interest (REGINFO CELL D62)				54,887				
203									
204	Variance caused by excess debt				0				
205									
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				0				
207									
208	<b>Total Interest Variance</b>				23,829				
209									
210									
211									

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
6	<b>Section A: Identification:</b>						
7	Utility Name: Lakefield Distribution Inc.						
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					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
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	<b>Section B: Financial statements data:</b>						
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	<b>Income:</b>						
31	Energy Sales	+	2,877,463		2,877,463		
32	Distribution Revenue	+	544,830		544,830		
33	Other Income	+	30,264		30,264		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	<b>Costs and Expenses:</b>						
39	Cost of energy purchased	-	2,877,463		2,877,463		
40	Administration	-	170,193		170,193		
41	Customer billing and collecting	-	91,517		91,517		
42	Operations and maintenance	-	147,483		147,483		
43	Amortization	-	68,043		68,043		
44	Ontario Capital Tax	-	4,500		4,500		
45	Reg Assets	-	0		0		
46		-			0		
47		-			0		
48		-			0		
49							
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	93,358	0	93,358		
51	Less: Interest expense for accounting purposes	-	1,372		1,372		
52	Provision for payments in lieu of income taxes	-	10,987		10,987		Includes LCT
53	<b>Net Income (loss)</b>	=	80,999	0	80,999		
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	<b>Section C: Reconciliation of accounting income to taxable income</b>						
57	<b>From T2 Schedule 1</b>						
58	<b>BOOK TO TAX ADDITIONS:</b>						
59	Provision for income tax	+	10,987	0	10,987		Includes OCT, LCT
60	Federal large corporation tax	+			0		
61	Depreciation & Amortization	+	68,043	0	68,043		
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	<b>Subtotal</b>		79,030	0	79,030		
71							
72	<b>Other Additions: (Please explain the nature of the additions)</b>						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+	0		0		
75	Capital items expensed	+			0		
76	<b>DEPRECIATION DIFFERENCE</b>	+			0		
77		+			0		
78		+			0		
79		+			0		
80	<b>Total Other Additions</b>	=	0	0	0		
81							
82	<b>Total Additions</b>	=	79,030	0	79,030		
83							
84	<b>Recap Material Additions:</b>						
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	<b>Total Other additions &gt;materiality level</b>		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	<b>Total Other Additions</b>		0	0	0		
95							

	A	B	C	D	E	F	G
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>		
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>		
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>		
4		0	<b>Return</b>				
5					<b>Version 2009.1</b>		
96	<b>BOOK TO TAX DEDUCTIONS:</b>						
97	Capital cost allowance	-	52,729		52,729		
98	Cumulative eligible capital deduction	-	0		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		43,570	0	43,570		
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	=	96,299	0	96,299		
114	Other deductions (Please explain the nature of the deductions)						
115	<b>Charitable donations - tax basis</b>	-			0		
116	Gain on disposal of assets	-			0		
117		-	0		0		
118					0		
119		-			0		
120	Total Other Deductions	=	0	0	0		
121							
122	Total Deductions	=	96,299	0	96,299		
123							
124	<b>Recap Material Deductions:</b>						
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	<b>TAXABLE INCOME</b>	=	63,730	0	63,730	^	= T2 SCH1
135	<b>DEDUCT:</b>						
136	Non-capital loss applied positive number	-	42,360		42,360		
137	Net capital loss applied positive number	-			0		
138					0		
139	<b>NET TAXABLE INCOME</b>	=	21,370	0	21,370		
140							
141	<b>FROM ACTUAL TAX RETURNS</b>						
142	Net Federal Income Tax (Must agree with tax return)	+	5,582		5,582		
143	Net Ontario Income Tax (Must agree with tax return)	+	2,671		2,671		
144	Subtotal	=	8,253	0	8,253		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	<b>Total Income Tax</b>	=	8,253	0	8,253		
147							
148	<b>FROM ACTUAL TAX RETURNS</b>						
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		38.62%	*****	38.62%		
152							
153	<b>Section F: Income and Capital Taxes</b>						
154							
155	<b>RECAP</b>						
156	Total Income Taxes	+	8,253	0	8,253		
157	Ontario Capital Tax	+	4,474		4,474		
158	Federal Large Corporations Tax	+	3,260		3,260		
159							
160	<b>Total income and capital taxes</b>	=	15,987	0	15,987		
161							

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Lakefield Distribution Inc.</b>					
8	<b>Reporting period: 2002</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Lakefield Distribution Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		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	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Lakefield Distribution Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
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		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	Regulatory Adjustment - Re Notice of Objection	-				
93		-			0	
94	Operating costs of Qualifying transitional asset	-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7	<b>0</b>		Return			
8	<b>Utility Name: Lakefield Distribution Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2002</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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	<b>Donations - amount per books</b>				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	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income per T5013	+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-	0		0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Allowance for deferred restructuring cost	-	17,344		17,344	
70	Allowance for pre-market energy variance	-	26,226		26,226	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	43,570	0	43,570	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	<b>PILs TAXES - EB-2011-0207</b>									
2	<b>Corporate Tax Rates</b>									
3	<b>Exemptions, Deductions, or Thresholds</b>									
4	Utility Name: Lakefield Distribution Inc.									
5	Reporting period: 2002									
6										
7										
8	<b>Table 1</b>									
9	<b>Rates Used in 2002 RAM PILs Applications for 2002</b>									
10	Income Range		0 to 200,000		200,001 to 700,000	>700,000				
11	RAM 2002	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	<b>**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing</b>									
24										
25	<b>Table 2</b>									
26	<b>Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002</b>									
27	Income Range		0 to 200,000		200,001 to 700,000	>700,000				
28	Expected Rates	Year								
29										
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	<b>***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>									
42										
43	<b>Table 3</b>									
44	<b>Input Information from Utility's Actual 2002 Tax Returns</b>									
45	Income Range		0 to 200,000		200,001 to 700,000	>700,000				
46		Year								
47										
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		13.12%		26.12%	26.12%				
51	Ontario		6.00%		12.50%	12.50%				
52	Blended rate		19.12%		38.62%	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	4,668,892							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2011-0207</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name: Lakefield Distribution Inc.</b>														<b>Version 2009.1</b>
4	<b>Reporting period: 2002</b>														<b>0</b>
5															
6															
7															
8	<b>Year start:</b>		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	<b>Year end:</b>		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		<b>Total</b>
10															
11	<b>Opening balance:</b>	=	0		0		0		0		0		0		0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-	0				0		0		0		0		0
13	<b>PILs proxy from April 1, 2005 - input 9/12 of amount</b>														0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													0
15	<b>True-up Variance Adjustment (3)</b>	+/-											0		0
16	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>														0
17	<b>Deferral Account Variance Adjustment (5)</b>	+/-											1,035		1,035
18	<b>Adjustments to reported prior years' variances (6)</b>	+/-													0
19	<b>Carrying charges (7)</b>	+/-													0
20	<b>PILs billed to (collected from) customers (8)</b>	-													0
21															
22	<b>Ending balance: # 1562</b>		0		0		0		0		0		1,035		1,035
23															
24															
25															
26	<b>Uncollected PILs</b>														
27															
28	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>														<b>3</b>
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name:</b> Peterborough Distribution Inc.			Colour Code	
4	<b>Reporting period:</b> 2001			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	92	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
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)				
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%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			44,725,919	
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			3,830,775	
42					
43	1999 return (loss) from RUD Sheet #7			-29,653	-29,653
44					
45	Total Incremental revenue			3,860,428	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			1,286,809	1,286,809
48	Amount allowed in 2002			1,286,809	0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,286,809	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	<b>Total Regulatory Income</b>				<b>1,257,156</b>
55					
56	Equity			22,362,960	
57					
58	Return at target ROE			2,209,460	
59					
60	Debt			22,362,960	
61					
62	Deemed interest amount in 100% of MARR			1,621,315	
63					
64	Phase-in of interest - Year 1 (2001)			532,071	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,076,693	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,076,693	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,621,315	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							\$	
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	321,702		-677,217		-355,515	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	729,372		-179,864		549,508	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	215,868		8,887		224,755	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	136,156		191,702		327,858	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		699,050		(1,057,670)		(358,620)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		0.0000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		283,954		-283,954	<b>Actual</b>	0	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	<b>Total Regulatory Income Tax</b>		283,954		-283,954	<b>Actual</b>	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	44,725,919		-22,329,732		22,396,187	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	4,784,500		-1,703,159		3,081,341	
68	Taxable Capital		39,941,419		-24,032,891		19,314,846	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		29,956		-15,351	per approved. OCT/4	14,605	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	44,725,919		-22,379,843		22,346,076	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	9,569,000		-4,153,859		5,415,141	
77	Taxable Capital		35,156,919		-26,533,702		16,930,935	
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)		19,776		-10,174	per approved. Gross LCT/4	9,602	
82	Less: Federal Surtax 1.12% x Taxable Income	21	7,829		-7,829		0	
83								
84	Net LCT		11,946		-2,344	per approved. LCT/4	9,602	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							\$	
14								
15	<b>III) INCLUSION IN RATES</b>							
16								
17	Income Tax Rate used for gross- up (exclude surtax)		40.62%					
18								
19	Income Tax (proxy tax is grossed-up)	22	478,198			<b>Actual 2001</b>	0	
20	LCT (proxy tax is grossed-up)	23	19,746			<b>Actual 2001</b>	20,646	
21	Ontario Capital Tax (no gross-up since it is deductible)	24	29,956			<b>Actual 2001</b>	29,457	
22								
23	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	527,900			<b>Actual 2001</b>	50,103	
24	<b>RAM DECISION</b>							
25								
26								
27								
28	<b>IV) FUTURE TRUE-UPS</b>							
29	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
30	<b>In Additions:</b>							
31	Employee Benefit Plans - Accrued, Not Paid	3			0			
32	Tax reserves deducted in prior year	4			0			
33	Reserves from financial statements-end of year	4			0			
34	Regulatory Adjustments	5			0			
35	Other additions "Material" Items TAXREC	6			0			
36	Other additions "Material" Items TAXREC 2	6			0			
37	<b>In Deductions - positive numbers</b>							
38	Employee Benefit Plans - Paid Amounts	8			0			
39	Items Capitalized for Regulatory Purposes	9			0			
40	Regulatory Adjustments	10			0			
41	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
42	Tax reserves claimed in current year	4			0			
43	Reserves from F/S beginning of year	4			0			
44	Contributions to deferred income plans	3			0			
45	Contributions to pension plans	3			0			
46	Other deductions "Material" Items TAXREC	12			0			
47	Other deductions "Material" Item TAXREC 2	12			0			
48								
49	<b>Total TRUE-UPS before tax effect</b>	26		=	0			
50								
51	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x	40.62%	<b>Tax effect rate</b>		
52								
53	Income Tax Effect on True-up adjustments			=	0			
54								
55	Less: Miscellaneous Tax Credits	14			0			
56								
57	<b>Total Income Tax on True-ups</b>				0			
58								
59	Income Tax Rate used for gross-up (exclude surtax)				39.50%	Gross up rate		
60								
61	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0	True up		
62								
63	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
64								
65	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	699,050			
66								
67	REVISED CORPORATE INCOME TAX RATE			x	40.62%	Tax impact rate		
68								
69	REVISED REGULATORY INCOME TAX			=	283,954			
70								
71	Less: Revised Miscellaneous Tax Credits			-	0			
72								
73	Total Revised Regulatory Income Tax			=	283,954			
74								
75	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	283,954			
76								
77	Regulatory Income Tax Variance			=	0	Reg Variance 1562		
78								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							\$	
150	<b>Ontario Capital Tax</b>							
151	Base			=	44,725,919			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	39,725,919			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	30,039			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	29,956			
159	Regulatory Ontario Capital Tax Variance			=	83			
160								
161	<b>Federal LCT</b>							
162	Base				44,725,919			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	34,725,919			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				19,694			
169	Less: Federal surtax			-	7,829			
170	Revised Net LCT			=	11,865			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	11,946			
173	Regulatory Federal LCT Variance			=	(82)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%	Gross up rate		
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	(135)			
179	Ontario Capital Tax			+	83			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	(52)	xxx		
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	(52)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				408,660	92days/365 Q4 2001		
194	Interest phased-in (Cell C37)				136,156			
195								
196	Variance due to phase-in of debt component of MARR in rates				272,504			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell G36+G41)				327,858			
202	Total deemed interest (REGINFO CELL D61)				408,660			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				272,504			
209								
210								
211								

	A	B	C	D	E	F
1	<b>PILS TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Peterborough Distribution Inc.					
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				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
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	<b>Section B: Financial statements data:</b>					
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	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	15,398,856		15,398,856	
33	Other Income	+	157,754		157,754	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	15,332,617		15,332,617	
43	Amortization	-	549,508		549,508	
44	Ontario Capital Tax	-	30,000		30,000	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	-355,515	0	-355,515	
51	Less: Interest expense for accounting purposes	-	327,858		327,858	
52	Provision for payments in lieu of income taxes	-	0		0	
53	<b>Net Income (loss)</b>	=	-683,373	0	-683,373	
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	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	549,508	0	549,508	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	<b>Subtotal</b>		549,508	0	549,508	
71						
72	<b>Other Additions: (Please explain the nature of the additions)</b>					
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	<b>Total Other Additions</b>	=	0	0	0	
81						
82	<b>Total Additions</b>	=	549,508	0	549,508	
83						
84	<b>Recap Material Additions:</b>					
85			0	0	0	

	A	B	C	D	E	F
1	<b>PILS TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
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	-	224,755		224,755	
98	Cumulative eligible capital deduction	-	0		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	=	224,755	0	224,755	
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	=	224,755	0	224,755	
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	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	=	-358,620	0	-358,620	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	(358,620)	0	(358,620)	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		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)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	29,457		29,457	
158	Federal Large Corporations Tax	+	20,646		20,646	
159						
160	Total income and capital taxes	=	50,103	0	50,103	
161						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Peterborough Distribution Inc.</b>					
8	<b>Reporting period: 2001</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name:</b> Peterborough Distribution Inc.					
9	<b>Reporting period:</b> 2001					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Peterborough Distribution Inc.</b>					
9	<b>Reporting period: 2001</b>					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
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	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	<b>0</b>		Return			
8	<b>Utility Name: Peterborough Distribution Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2001</b>					
12	<b>Number of days in taxation year:</b>		92			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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		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		0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	<b>Ontario Capital Tax per books</b>	+				
39		+			0	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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		0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	<b>Ontario Capital Tax per tax return</b>	-	0		0	
61		-			0	
62	<b>Changes in Regulatory Asset balances*</b>	-			0	
63	*note: included in 2002 tax return reassessment	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	interest expense incurred	-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Peterborough Distribution Inc.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
10	RAM 2002									
11		Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%		28.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		40.62%			
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
28	Expected Rates									
29		Year								
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		28.12%		28.12%			
33	Ontario	2001	6.00%		6.00%		12.50%			
34	Blended rate	2001	19.12%		34.12%		40.62%			
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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
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%		12.50%			
52	Blended rate		19.12%		31.87%		40.62%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	3,081,341							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	5,415,141							
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
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	<b>0</b>						<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	314,289		-669,804		-355,515	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	729,372		-179,864		549,508	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		0		0	
22	Tax reserves - beginning of year	4	0		0		0	
23	Reserves from financial statements - end of year	4	0		0		0	
24	Regulatory Adjustments - increase in income	5	0		0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6	0		0		0	
27	Other Additions (not "Material") "TAXREC"	6	0		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6	0		0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	0		0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	215,868		8,887		224,755	
34	Employee Benefit Plans - Paid Amounts	8	0		0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	133,018		194,840		327,858	
38	Tax reserves - end of year	4	0		0		0	
39	Reserves from financial statements - beginning of year	4	0		0		0	
40	Contributions to deferred income plans	3	0		0		0	
41	Contributions to pension plans	3	0		0		0	
42	Interest capitalized for accounting but deducted for tax	11	0		0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	0		0		0	
45	Other Deductions (not "Material") "TAXREC"	12	0		0		0	
46	Material Items from "TAXREC 2" worksheet	12	0		0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12	0		0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		694,775		(1,053,395)		(358,620)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		0.0000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		282,218		-282,218		0	
56								
57								
58	Miscellaneous Tax Credits	14	0		0		0	
59								
60	<b>Total Regulatory Income Tax</b>		282,218		-282,218		0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	44,725,919		-22,329,732		22,396,187	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-120,095		4,879,905	
68	Taxable Capital		39,725,919		-22,449,827		17,516,282	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		29,794		-16,549		13,245	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	44,725,919		-22,379,843		22,346,076	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		34,725,919		-22,379,843		12,346,076	
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)		19,533		-12,532		7,002	
82	Less: Federal Surtax 1.12% x Taxable Income	21	7,781		-7,781		0	
83								
84	<b>Net LCT</b>		2,938		-4,750		7,002	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	<b>0</b>						<b>Version 2009.1</b>	
6	<b>Utility Name: Peterborough Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	466,476			<b>Actual 2001</b>	0	
91	LCT (proxy tax is grossed-up)	23	4,856			<b>Actual 2001</b>	20,646	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	29,794			<b>Actual 2001</b>	29,457	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	501,126			<b>Actual 2001</b>	50,103	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
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	<b>In Deductions - positive numbers</b>							
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	<b>Total TRUE-UPS before tax effect</b>	26		=	0			
121								
122	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x	18.00%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	<b>Total Income Tax on True-ups</b>				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				39.50%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	694,775			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	282,218			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	<b>Total Revised Regulatory Income Tax</b>			=	282,218			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	282,218			
147								
148	<b>Regulatory Income Tax Variance</b>			=	0			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	Utility Name: Peterborough Distribution Inc.							
7	Reporting period: 2001							
8							<b>Column</b>	
9	Days in reporting period:	92	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	44,725,919			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	39,725,919			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	30,039			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	29,794			
159	Regulatory Ontario Capital Tax Variance			=	245			
160								
161	<b>Federal LCT</b>							
162	Base				44,725,919			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	34,725,919			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				19,694			
169	Less: Federal surtax			-	7,781			
170	Revised Net LCT			=	11,912			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	2,938			
173	Regulatory Federal LCT Variance			=	8,974			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	0			
178	<b>LCT (grossed-up)</b>			+	10,944			
179	<b>Ontario Capital Tax</b>			+	245			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	11,189			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	11,189			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				405,329			
194	Interest phased-in (Cell C37)				133,018			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				272,311			
197								
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)</b>							
200								
201	Interest deducted on MoF filing (Cell G36+G41)				327,858			
202	Total deemed interest (REGINFO CELL D61)				1,621,315			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				272,311			
209								
210								
211								

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Peterborough Distribution Inc.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
10	RAM 2002									
11		Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%	28.12%				
15	and Ontario blended		6.00%		6.00%	12.50%				
16	Blended rate		19.12%		34.12%	40.62%				
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
28	Expected Rates									
29		Year								
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		28.12%	26.12%				
33	Ontario	2002	6.00%		6.00%	12.50%				
34	Blended rate	2002	19.12%		34.12%	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 *** 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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
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%	12.50%				
52	Blended rate		19.12%		31.87%	40.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,879,905							
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										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2011-0207														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Peterborough Distribution Inc.														Version 2009.1
4	Reporting period: 2001				Sign Convention: + for increase; - for decrease										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		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											0		0
18	Adjustments to reported prior years' variances (6)	+/-											-52		-52
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-52		-52
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														3
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>			Colour Code	
4	<b>Reporting period: 2001</b>			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	92	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
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)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		1%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		1%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			502,176	
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			43,011	
42					
43	1999 return (loss) from RUD Sheet #7			-5,052	-5,052
44					
45	Total Incremental revenue			48,063	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>10,969</b>
55					
56	Equity			251,088	
57					
58	Return at target ROE			24,807	
59					
60	Debt			251,088	
61					
62	Deemed interest amount in 100% of MARR			18,204	
63					
64	Phase-in of interest - Year 1 (2001)			4,642	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			11,423	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			11,423	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			18,204	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							<b>\$</b>	
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	4,005		-8,671		-4,666	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	6,504		-1,466		5,038	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	1,805		155		1,960	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	1,695		-1,330		365	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				4,707		4,707	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		7,009		(13,669)		(6,660)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		21.5000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		1,340		-1,340	<b>Actual</b>	0	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	<b>Total Regulatory Income Tax</b>		1,340		-1,340	<b>Actual</b>	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	502,176		-38,021		464,155	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	53,500		-21,331		32,169	
68	Taxable Capital		448,676		-59,352		431,986	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		337		-10		327	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	502,176		-96,049		406,127	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	107,000		299,127		406,127	
77	Taxable Capital		395,176		203,078		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)		222		-222		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	79		-79		0	
83								
84	<b>Net LCT</b>		144		-144		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		19.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,631			<b>Actual 2001</b>	0	
91	LCT (proxy tax is grossed-up)	23	176			<b>Actual 2001</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	337			<b>Actual 2001</b>	327	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	2,143			<b>Actual 2001</b>	327	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
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	<b>In Deductions - positive numbers</b>							
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	<b>Total TRUE-UPS before tax effect</b>	26		=	0			
121								
122	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x	19.12%			
123								
124	<b>Income Tax Effect on True-up adjustments</b>			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	<b>Total Income Tax on True-ups</b>				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	7,009			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,340			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	<b>Total Revised Regulatory Income Tax</b>			=	1,340			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	1,340			
147								
148	<b>Regulatory Income Tax Variance</b>			=	0			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	502,176			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	34,032			
153	Revised deemed taxable capital			=	468,144			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	354			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	337			
159	Regulatory Ontario Capital Tax Variance			=	17			
160								
161	<b>Federal LCT</b>							
162	Base				502,176			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	406,127			
164	Revised Federal LCT			=	96,049			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				54			
169	Less: Federal surtax			-	79			
170	Revised Net LCT			=	(24)			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	144			
173	Regulatory Federal LCT Variance			=	(168)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	0			
178	<b>LCT (grossed-up)</b>			+	(205)			
179	<b>Ontario Capital Tax</b>			+	17			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	(187)			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	(187)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				4,588	92 days / 365 days		
194	Interest phased-in (Cell C37)				1,695			
195								
196	Variance due to phase-in of debt component of MARR in rates				2,893			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell G36+G41)				365			
202	Total deemed interest (REGINFO CELL D61)				4,588			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				2,893			
209								
210								
211								

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name:Asphodel-Norwood Distribution Inc.					
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				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
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	<b>Section B: Financial statements data:</b>					
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	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	273,363		273,363	
33	Other Income	+	12,553		12,553	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	285,544		285,544	
43	Amortization	-	5,038		5,038	
44	Ontario Capital Tax	-	0		0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	-4,666	0	-4,666	
51	Less: Interest expense for accounting purposes	-	365		365	
52	Provision for payments in lieu of income taxes	-	0		0	
53	<b>Net Income (loss)</b>	=	-5,031	0	-5,031	
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	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	5,038	0	5,038	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	<b>Subtotal</b>		5,038	0	5,038	
71						
72	<b>Other Additions: (Please explain the nature of the additions)</b>					
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	<b>Total Other Additions</b>	=	0	0	0	
81						
82	<b>Total Additions</b>	=	5,038	0	5,038	
83						
84	<b>Recap Material Additions:</b>					
85			0	0	0	

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
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	-	1,960		1,960	
98	Cumulative eligible capital deduction	-	0		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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		4,707	0	4,707	
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	=	6,667	0	6,667	
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	=	6,667	0	6,667	
123						
124	Recap Material Deductions:					
125			0	0	0	
126				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	=	-6,660	0	-6,660	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	(6,660)	0	(6,660)	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		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)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	327		327	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	327	0	327	
161						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>					
8	<b>Reporting period: 2001</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>					
9	<b>Reporting period: 2001</b>					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>					
9	<b>Reporting period: 2001</b>					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
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	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	<b>0</b>		Return			
8	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2001</b>					
12	<b>Number of days in taxation year:</b>		92			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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		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		0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	<b>Ontario Capital Tax per books</b>	+				
39		+			0	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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		0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Other items	-	4,707		4,707	
60	<b>Ontario Capital Tax per tax return</b>	-	0		0	
61		-			0	
62	<b>Changes in Regulatory Asset balances*</b>	-			0	
63	*note: included in 2002 tax return reassessment	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	interest expense incurred	-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	4,707	0	4,707	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name:Asphodel-Norwood Distribution Inc.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to					
11		Year	50,000		175,000					>175,000
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%					28.12%
15	and Ontario blended		6.00%		6.00%					12.50%
16	Blended rate		19.12%		34.12%					40.62%
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to					
29		Year	50,000		175,000					>175,000
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		28.12%					28.12%
33	Ontario	2001	6.00%		6.00%					12.50%
34	Blended rate	2001	19.12%		34.12%					40.62%
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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to					
47		Year	50,000		175,000					>175,000
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		13.12%		22.12%					28.12%
51	Ontario		6.00%		9.75%					12.50%
52	Blended rate		19.12%		31.87%					40.62%
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	3,081,341							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	5,415,141							
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
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	2,742		-7,408		-4,666	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	6,504		-1,466		5,038	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		0		0	
22	Tax reserves - beginning of year	4	0		0		0	
23	Reserves from financial statements - end of year	4	0		0		0	
24	Regulatory Adjustments - increase in income	5	0		0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6	0		0		0	
27	Other Additions (not "Material") "TAXREC"	6	0		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6	0		0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	0		0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	1,805		155		1,960	
34	Employee Benefit Plans - Paid Amounts	8	0		0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	1,161		-796		365	
38	Tax reserves - end of year	4	0		0		0	
39	Reserves from financial statements - beginning of year	4	0		0		0	
40	Contributions to deferred income plans	3	0		0		0	
41	Contributions to pension plans	3	0		0		0	
42	Interest capitalized for accounting but deducted for tax	11	0		0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	0		0		0	
45	Other Deductions (not "Material") "TAXREC"	12	0		0		0	
46	Material Items from "TAXREC 2" worksheet	12	0		0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12	0		0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				4,707		4,707	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		6,281		(12,941)		(6,660)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		21.5000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		1,201		-1,201	<b>Actual</b>	0	
56								
57								
58	Miscellaneous Tax Credits	14	0		0	<b>Actual</b>	0	
59								
60	<b>Total Regulatory Income Tax</b>		1,201		-1,201	<b>Actual</b>	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	502,176		-38,021		464,155	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-120,095		4,879,905	
68	Taxable Capital		0		-158,116		-4,415,750	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0		0	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	502,176		-96,049		406,127	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		-96,049		-9,593,873	
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)		0		-5,441		-5,441	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	<b>Net LCT</b>		0		-5,441		-5,441	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	Utility Name:Asphodel-Norwood Distribution Inc.							
7	Reporting period: 2001							
8							<b>Column</b>	
9	Days in reporting period:	92	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		18.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,464			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	0			Actual 2001	327	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	1,464			Actual 2001	327	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
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	<b>In Deductions - positive numbers</b>							
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 (excluding surtax) from 2001 Utility's tax return			x	18.00%			
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)				33.00%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	6,281			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	31.87%			
139								
140	REVISED REGULATORY INCOME TAX			=	2,002			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	2,002			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	1,201			
147								
148	Regulatory Income Tax Variance			=	801			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	<b>Utility Name:Asphodel-Norwood Distribution Inc.</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	502,176			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	(4,497,824)			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				502,176			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	(9,497,824)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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 C84)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	977			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	977			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	977			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				4,551			
194	Interest phased-in (Cell C37)				1,161			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				3,390			
197								
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)</b>							
200								
201	Interest deducted on MoF filing (Cell G36+G41)				365			
202	Total deemed interest (REGINFO CELL D61)				18,204			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				3,390			
209								
210								
211								

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name:Asphodel-Norwood Distribution Inc.									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
10	RAM 2002									
11		Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%		28.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		40.62%			
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
28	Expected Rates									
29		Year								
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		28.12%		26.12%			
33	Ontario	2002	6.00%		6.00%		12.50%			
34	Blended rate	2002	19.12%		34.12%		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 *** 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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
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%		12.50%			
52	Blended rate		19.12%		31.87%		40.62%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,879,905							
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										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2011-0207														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name:Asphodel-Norwood Distribution Inc.														Version 2009.1
4	Reporting period: 2001				Sign Convention: + for increase; - for decrease										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		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-187		-187
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-187		-187
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														3
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

	A	B	C	D	E
1	<b>PILs TAXES - EB-2011-0207</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	<b>Utility Name:</b> Lakefield Distribution Inc			Colour Code	
4	<b>Reporting period:</b> 2001			Input Cell	
5				Formula in Cell	
6	<b>Days in reporting period:</b>	92	days		
7	<b>Total days in the calendar year:</b>	365	days		
8					
9	<b>BACKGROUND</b>				
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		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
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)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		1%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		1%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			1,514,121	
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			129,684	
42					
43	1999 return (loss) from RUD Sheet #7			41,341	41,341
44					
45	Total Incremental revenue			88,343	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			16,021	16,021
48	Amount allowed in 2002			16,021	0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			16,021	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	<b>Total Regulatory Income</b>				<b>57,362</b>
55					
56	Equity			757,061	
57					
58	Return at target ROE			74,798	
59					
60	Debt			757,061	
61					
62	Deemed interest amount in 100% of MARR			54,887	
63					
64	Phase-in of interest - Year 1 (2001)			24,278	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			31,058	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			31,058	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			54,887	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Lakefield Distribution Inc</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							\$	
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	17,697		-58,992		-41,295	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	17,763		-2,028		15,735	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	6,814		-304		6,510	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	7,490		-6,726		764	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		21,156		(53,990)		(32,834)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		21.5000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		4,045		-4,045	<b>Actual</b>	0	
56								
57								
58	Miscellaneous Tax Credits	14			0		0	
59								
60	<b>Total Regulatory Income Tax</b>		4,045		-4,045	<b>Actual</b>	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	1,514,121		-286,162		1,227,959	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	162,000		-76,893		85,107	
68	Taxable Capital		1,352,121		-363,055		1,142,852	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		1,014		-150		864	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	1,514,121		-402,989		1,111,132	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	324,000		-787,132		1,111,132	
77	Taxable Capital		1,190,121		384,143		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)		669		-669		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	237		-237		0	
83								
84	<b>Net LCT</b>		432		-432		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Lakefield Distribution Inc							
7	Reporting period: 2001							
8							<b>Column</b>	
9	Days in reporting period:	92	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		19.00%					
89								
90	Income Tax (proxy tax is grossed-up)	22	4,928		66	Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	532			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	1,014			Actual 2001	864	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	6,474			Actual 2001	864	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
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	<b>In Deductions - positive numbers</b>							
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 (excluding 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	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	21,156			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	4,045			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	4,045			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	4,045			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Lakefield Distribution Inc</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12			\$		\$		<b>TAXREC</b>	
13							\$	
150	<b>Ontario Capital Tax</b>							
151	Base			=	1,514,121			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	34,032			
153	Revised deemed taxable capital			=	1,480,089			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	1,119			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	1,014			
159	Regulatory Ontario Capital Tax Variance			=	105			
160								
161	<b>Federal LCT</b>							
162	Base				1,514,121			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	406,127			
164	Revised Federal LCT			=	1,107,994			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				628			
169	Less: Federal surtax			-	237			
170	Revised Net LCT			=	391			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	432			
173	Regulatory Federal LCT Variance			=	(41)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	0			
178	<b>LCT (grossed-up)</b>			+	(50)			
179	<b>Ontario Capital Tax</b>			+	105			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	55			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	55			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				13,835	92 days / 365 days		
194	Interest phased-in (Cell C37)				7,490			
195								
196	Variance due to phase-in of debt component of MARR in rates				6,345			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell G36+G41)				764			
202	Total deemed interest (REGINFO CELL D61)				13,835			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				6,345			
209								
210								
211								

	A	B	C	D	E	F
1	<b>PILS TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Lakefield Distribution Inc					
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				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
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	<b>Section B: Financial statements data:</b>					
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	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	638,327		638,327	
33	Other Income	+	65,168		65,168	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	729,055		729,055	
43	Amortization	-	15,735		15,735	
44	Ontario Capital Tax	-	0		0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	-41,295	0	-41,295	
51	Less: Interest expense for accounting purposes	-	764		764	
52	Provision for payments in lieu of income taxes	-	0		0	
53	<b>Net Income (loss)</b>	=	-42,059	0	-42,059	
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	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	15,735	0	15,735	
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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	<b>Subtotal</b>		15,735	0	15,735	
71						
72	<b>Other Additions: (Please explain the nature of the additions)</b>					
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	<b>Total Other Additions</b>	=	0	0	0	
81						
82	<b>Total Additions</b>	=	15,735	0	15,735	
83						
84	<b>Recap Material Additions:</b>					
85			0	0	0	

	A	B	C	D	E	F
1	<b>PILS TAXES - EB-2011-0207</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4	<b>0</b>		<b>Return</b>			
5					<b>Version 2009.1</b>	
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	-	6,510		6,510	
98	Cumulative eligible capital deduction	-	0		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		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	<b>Items on which true-up does not apply "TAXREC 3"</b>		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	=	6,510	0	6,510	
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	=	6,510	0	6,510	
123						
124	Recap Material Deductions:					
125			0	0	0	
126				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	=	-32,834	0	-32,834	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	(32,834)	0	(32,834)	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		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)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	864		864	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	864	0	864	
161						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Lakefield Distribution Inc</b>					
8	<b>Reporting period: 2001</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
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	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
51						
52	<b>End of Year:</b>					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
64						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name:</b> Lakefield Distribution Inc					
9	<b>Reporting period:</b> 2001					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
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		+			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	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2011-0207</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name:</b> Lakefield Distribution Inc					
9	<b>Reporting period:</b> 2001					
10	<b>Number of days in taxation year:</b>		92			
11	<b>Materiality Level:</b>		0			
12						
13						
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	<b>PILs TAXES - EB-2011-0207</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	Wires-only	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	<b>0</b>		Return			
8	<b>Utility Name:Lakefield Distribution Inc</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2001</b>					
12	<b>Number of days in taxation year:</b>		92			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
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		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		0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	<b>Ontario Capital Tax per books</b>	+				
39		+			0	
40	<b>Changes in Regulatory Asset balances</b>	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
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		0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Other items	-			0	
60	<b>Ontario Capital Tax per tax return</b>	-	0		0	
61		-			0	
62	<b>Changes in Regulatory Asset balances*</b>	-			0	
63	*note: included in 2002 tax return reassessment	-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70	interest expense incurred	-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Lakefield Distribution Inc									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to					
11		Year	50,000		175,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%		28.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		40.62%			
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to					
29		Year	50,000		175,000					
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		28.12%		28.12%			
33	Ontario	2001	6.00%		6.00%		12.50%			
34	Blended rate	2001	19.12%		34.12%		40.62%			
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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to					
47		Year	50,000		175,000					
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		13.12%		22.12%		28.12%			
51	Ontario		6.00%		9.75%		12.50%			
52	Blended rate		19.12%		31.87%		40.62%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	3,081,341							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	5,415,141							
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
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	<b>Utility Name: Lakefield Distribution Inc</b>							
7	<b>Reporting period: 2001</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	92	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	14,341		-55,636		-41,295	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	17,763		-2,028		15,735	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		0		0	
22	Tax reserves - beginning of year	4	0		0		0	
23	Reserves from financial statements - end of year	4	0		0		0	
24	Regulatory Adjustments - increase in income	5	0		0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6	0		0		0	
27	Other Additions (not "Material") "TAXREC"	6	0		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6	0		0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	0		0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	6,814		-304		6,510	
34	Employee Benefit Plans - Paid Amounts	8	0		0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	6,069		-5,305		764	
38	Tax reserves - end of year	4	0		0		0	
39	Reserves from financial statements - beginning of year	4	0		0		0	
40	Contributions to deferred income plans	3	0		0		0	
41	Contributions to pension plans	3	0		0		0	
42	Interest capitalized for accounting but deducted for tax	11	0		0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	0		0		0	
45	Other Deductions (not "Material") "TAXREC"	12	0		0		0	
46	Material Items from "TAXREC 2" worksheet	12	0		0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12	0		0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		19,220		(52,054)		(32,834)	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		21.5000%		40.62%	
54								
55	<b>REGULATORY INCOME TAX</b>		3,675		-3,675	<b>Actual</b>	0	
56								
57								
58	Miscellaneous Tax Credits	14	0		0	<b>Actual</b>	0	
59								
60	<b>Total Regulatory Income Tax</b>		3,675		-3,675	<b>Actual</b>	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	1,514,121		-286,162		1,227,959	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-120,095		4,879,905	
68	Taxable Capital		0		-406,257		-3,651,946	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0		0	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	1,514,121		-402,989		1,111,132	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		-402,989		-8,888,868	
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)		0		-5,041		-5,041	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	<b>Net LCT</b>		0		-5,041		-5,041	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	<b>0</b>						<b>Version 2009.1</b>	
6	<b>Utility Name: Lakefield Distribution Inc</b>							
7	<b>Reporting period: 2001</b>							
8								
9	<b>Days in reporting period:</b>	92	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12							<b>TAXREC</b>	
13			\$		\$		\$	
14								
15	<b>III) INCLUSION IN RATES</b>							
16								
17								
18	Income Tax Rate used for gross- up (exclude surtax)		18.00%					
19								
20	Income Tax (proxy tax is grossed-up)	22	4,482			<b>Actual 2001</b>	0	
21	LCT (proxy tax is grossed-up)	23	0			<b>Actual 2001</b>	0	
22	Ontario Capital Tax (no gross-up since it is deductible)	24	0			<b>Actual 2001</b>	864	
23								
24								
25	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2001</b>	25	4,482			<b>Actual 2001</b>	864	
26	<b>RAM DECISION</b>							
27								
28								
29	<b>IV) FUTURE TRUE-UPS</b>							
30	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
31	<b>In Additions:</b>							
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			0			
36	Other additions "Material" Items TAXREC	6			0			
37	Other additions "Material" Items TAXREC 2	6			0			
38	<b>In Deductions - positive numbers</b>							
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		=	0			
51								
52	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x	18.00%			
53								
54	Income Tax Effect on True-up adjustments			=	0			
55								
56	Less: Miscellaneous Tax Credits	14			0			
57								
58	Total Income Tax on True-ups				0			
59								
60	Income Tax Rate used for gross-up (exclude surtax)				33.00%			
61								
62	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
63								
64	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
65								
66	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	19,220			
67								
68	REVISED CORPORATE INCOME TAX RATE			x	31.87%			
69								
70	REVISED REGULATORY INCOME TAX			=	6,125			
71								
72	Less: Revised Miscellaneous Tax Credits			-	0			
73								
74	Total Revised Regulatory Income Tax			=	6,125			
75								
76	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	3,675			
77								
78	Regulatory Income Tax Variance			=	2,451			
79								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2011-0207</b>	<b>ITEM</b>	<b>Initial</b>		<b>M of F</b>	<b>M of F</b>	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		<b>Filing</b>	<b>Filing</b>	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				<b>Variance</b>	<b>Variance</b>		
4	("Wires-only" business - see Tab TAXREC)				<b>G-C</b>	<b>Explanation</b>		
5	0						<b>Version 2009.1</b>	
6	Utility Name:Lakefield Distribution Inc							
7	Reporting period: 2001							
8							<b>Column</b>	
9	Days in reporting period:	92	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	1,514,121			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	(3,485,879)			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				1,514,121			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	(8,485,879)			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
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 C84)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	<b>Income Tax (grossed-up)</b>			+	2,988			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	2,988			
182								
183	<b>TRUE-UP VARIANCE (from cell I132)</b>			+	0			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	2,988			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				13,722			
194	Interest phased-in (Cell C37)				6,069			
195								
196	Variance due to phase-in of debt component of MARR in rates				7,652			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell G36+G41)				764			
202	Total deemed interest (REGINFO CELL D61)				54,887			
203								
204	Variance caused by excess debt				0			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I112)</b>				0			
207								
208	<b>Total Interest Variance</b>				7,652			
209								
210								
211								

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2011-0207									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Lakefield Distribution Inc									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
10	RAM 2002									
11		Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%	28.12%				
15	and Ontario blended		6.00%		6.00%	12.50%				
16	Blended rate		19.12%		34.12%	40.62%				
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 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
28	Expected Rates									
29		Year								
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		28.12%	26.12%				
33	Ontario	2002	6.00%		6.00%	12.50%				
34	Blended rate	2002	19.12%		34.12%	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 *** 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	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0 to 50,000		50,000 to 175,000	>175,000				
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%	12.50%				
52	Blended rate		19.12%		31.87%	40.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,879,905							
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										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2011-0207														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Lakefield Distribution Inc														Version 2009.1
4	Reporting period: 2001				Sign Convention: + for increase; - for decrease										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		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											0		0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											55		55
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		55		55
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														3
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
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															
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.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 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	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	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;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															