

Ontario Energy Board

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Erie Thames
Powerlines Corporation for an order approving just and
reasonable rates and other charges for electricity distribution to
be effective September 1, 2012.

**INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

August 17, 2012

**ERIE THAMES POWELINES CORPORATION
2012 RATES REBASING CASE
EB-2012-0121**

**ENERGY PROBE RESEARCH FOUNDATION
INTERROGATORIES**

Interrogatory #1

Ref: Exhibit 1, Tab 1, Schedule 3

- a) Please explain why Erie Thames proposes to defer the amortization of the cost of meters included in rate base that have been replaced with Smart Meters until the next IRM filing.
- *Erie Thames is continuing to amortize the cost of its stranded meters included in rate base.*
 - *Erie Thames is proposing to defer the recovery of the stranded meters until a later date to mitigate the rate impact to its customers.*
- b) What is the net book value associated with these stranded meters?
- *The net book value of the stranded meters at the end of 2011 was \$813,649.89.*
- c) Are these stranded meters included in the test year rate base or are they included in account 1555 or elsewhere?
- *The stranded meters are included in the test year rate base.*
- d) Have smart meters been included in the calculation of rate base in the test year? If not, why not?
- *The Smart meters have not been included in the calculation of rate base in the test year because they are currently booked to account 1555 and are being recovered through the Smart Meter recovery model.*

Interrogatory #2

Ref: Exhibit 1, Tab 1, Schedule 6 & Notice of Application

Erie Thames indicates in Schedule 6 of Exhibit 1, Tab 1 that it is seeking approval to change rates effective May 1, 2012 with an implementation date to be determined but suggested September 1, 2012 or one month following the timing of the OEB's Decision. Please reconcile the effective date of May 1, 2012 with the effective date in the Notice of Application of September 1, 2012.

- ***See Board Staff Interrogatory response 2 A. Erie Thames is not suggesting that the rates be approved retroactively and anticipates that the implementation date of its rates will be rendered as part of its decision.***

Interrogatory #3

Ref: Exhibit 1, Tab 1, Schedule 10

The evidence indicates that Erie Thames follows the main categories and accounting guidelines as stated in the Uniform System of Accounts. Please describe any non-compliance with the Uniform System of Accounts for other categories.

- ***Erie Thames has no areas of non compliance with the uniform system of accounts.***

Interrogatory #4

Ref: Exhibit 1, Tab 1, Schedule 11

Please provide a map of Southwestern Ontario that shows each of the towns and townships served by Erie Thames.

- ***A PDF copy of Erie Thames' service territory has been included in this response.***

Interrogatory #5

Ref: Exhibit 1, Tab 1, Schedule 14

- a) **Are any costs related to the Board of Directors of ERTH Corporation, ERTH Limited, ERTH Business Technologies Inc. and/or ERTH (Holdings) Inc. included in the test year revenue requirement for Erie Thames? If yes, please provide details, including the amount associated with each corporation.**
- ***There are no costs included in the application for any of Erie Thames Powerlines Board of Directors.***
 - ***Each affiliate has separate and distinct Board's.***
- b) **What is the cost of the Board of Directors of Erie Thames Powerlines Corporation that has been included in the test year revenue requirement?**
- ***The cost of the Board of Directors included in the test year revenue requirement is \$17,318.29.***

Interrogatory #6

**Ref: Exhibit 1, Tab 1, Schedule 14 &
Exhibit 1, Tab 2, Schedule 1**

- a) Please explain where Ecaliber, noted on the first page of the second reference, fits into the Corporate Chart shown in the first reference.
 - ***Ecaliber is part of ERTH (Holdings) INC. as noted in the in the description of said company.***
- b) Please explain or rephrase the sentence on the first page of Exhibit 1, Tab 2, Schedule 1 that states: "Erie Thames does continue to rely upon its affiliate, Ecaliber, for billing services it shareholder for corporate/IT/HR services".
 - ***Erie Thames continues to rely upon its affiliate Ecaliber, for billing services. Additionaly Erie Thames receives HR, IT and Corporate services from its parent corporation ERTH.***

Interrogatory #7

Ref: Exhibit 1, Tab 2, Schedule 1

Did Erie Thames harmonize the specific service charges among the three utilities that merged in 2011? If so, for each charge that was harmonized, please show the original rate for each of the three utilities before harmonization and the corresponding rate after harmonization.

- ***Erie Thames did not harmonize the specific service charges among the three utilities as it continued to employ separate tariff sheets that have not been replaced by a post merger application.***

Interrogatory #8

Ref: Exhibit 1, Tab 2, Schedule 2

- a) For each of the revenue forecast, operating and maintenance expense and capital budget, please indicate whether the 2011 data provided in the evidence includes actual data to the end of 2011. If this is the case, please confirm whether or not the actual data for 2011 reflects actual audited data.
 - ***Please see response to Board staff IR#1B.***
- b) If the 2011 data is not all actual data, please indicate the last month of actual data included.
 - ***Please see response to Board Staff IR#1B.***

Interrogatory #9

**Ref: Exhibit 2, Tab 1, Schedule 2 &
Exhibit 2, Tab 2, Schedule 1, Appendix 2-B**

The data shown in the Rate Base Summary Table (Exhibit 2, Tab 1, Schedule 2) appears to reflect the year end asset values at cost shown in Appendix 2-B (Exhibit 2, Tab 2, Schedule 1) for 2009 through 2011. However, the accumulated depreciation numbers differ between the two sources.

- a) Please explain the difference in the year-end accumulated depreciation numbers between the two sources of data and indicate which set is correct.
 - *Exhibit 2 Tab 1, Schedule 2 referenced an incorrect version of the fixed asset continuity schedule.*
- b) Please provide a corrected Rate Base Summary Table that reflects, if necessary, the response to part (a), along with the use of the average of the opening and closing of the net book value in the calculation of the rate base for 2008 through 2011. Please use the same approach for the 2012 test year (i.e. showing the year-end gross assets and accumulated depreciation and then calculating rate base based on the average of the opening and closing balance of the net book value for 2012).

RATE BASE SUMMARY	2008 Board Approved	2008 Actual	Variance from 2008 Board Approved	2008 Actual	2009 Actual	Variance from 2008 Actual	2009 Actual	2010 Actual	Variance from 2009 Actual	2010 Actual	2011 Bridge	Variance from 2010 Actual	2011 Bridge	2012 Test	Variance from 2011 Bridge
	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)
<u>Gross Asset</u>															
Asset Values at Cost	\$21,923,880	\$29,811,592	\$7,887,712	\$29,811,592	\$31,753,827	\$1,942,235	\$31,753,827	\$35,371,442	\$3,617,615	\$35,371,442	\$37,805,360	\$2,433,918	\$37,805,360	\$39,225,360	\$1,420,000
<u>Accumulated Depreciation</u>															
Depreciation	-\$5,366,284	-\$9,029,842	-\$3,663,558	-\$9,029,842	-\$10,330,451	-\$1,300,609	-\$10,330,451	-\$11,847,726	-\$1,517,275	-\$11,847,726	-\$13,588,408	-\$1,740,683	-\$13,588,408	-\$14,553,569	-\$965,161
Net Fixed Asset	\$16,557,596	\$20,781,750	\$4,224,154	\$20,781,750	\$21,423,376	\$641,625	\$21,423,376	\$23,523,716	\$2,100,340	\$23,523,716	\$24,216,951	\$693,235	\$24,216,951	\$24,671,790	\$454,839
<u>Allowance for Working Capital</u>															
	\$5,689,178	\$5,985,951	\$296,773	\$5,985,951	\$6,402,183	\$416,232	\$6,402,183	\$6,892,145	\$489,962	\$6,892,145	\$6,869,459	-\$22,686	\$6,869,459	\$6,402,308	-\$467,151
Utility Rate Base	\$22,246,774	\$26,767,701	\$4,520,927	\$26,767,701	\$27,825,558	\$1,057,858	\$27,825,558	\$30,415,861	\$2,590,302	\$30,415,861	\$31,086,410	\$670,550	\$31,086,410	\$31,074,099	-\$12,312

- c) Please update the Rate Base Summary Table to reflect actual audited data for 2011. If actual audited data for 2011 is not yet available, please update the table to reflect actual unaudited data for 2011.
 - *Please see response to Board Staff IR #1.*

Interrogatory #10

Ref: Exhibit 2, Tab 2, Schedule 1

- a) Please explain why there are no disposals for costs or accumulated depreciation shown for any of the years.
 - ***As indicated elsewhere in ETPL's various responses, investment in the distribution has been less than required as per results of the asset assessment analysis. Therefore disposals of ETPL's assets is well beyond the useful life and there are no costs or associated accumulated depreciation remaining that would be required to be removed in any years.***

- b) How does Erie Thames treat the disposal of assets that are removed from service before they are fully depreciated?
 - ***As indicated in other evidence ETPL only replaces fully depreciated assets and therefore no disposal amounts are required in this exhibit.***

- c) Please update Appendix 2-B for 2011 and 2012 to reflect actual data for 2011 and the resulting changes that flow through to 2012.
 - ***See response to Board staff IR#1B.***

- d) Do the figures shown in account 1860 - Meters shown include smart meters (account 1860 - Smart Meters do not include any figures)?
 - ***The figures in account 1860 do not include Smart Meters.***

Interrogatory #11

Ref: Exhibit 2, Tab 2, Schedule 2

- a) Please update the second last page of Schedule 2 to reflect actual data for 2011.
 - ***See Responses to Board staff IR#1B.***
- b) Please explain what the \$380,000 shown in 2012 in account 1930 - Transportation Equipment is for. Please also indicate whether this is a replacement for an existing vehicle or vehicles or whether it is a net addition to the fleet.
 - ***This addition is the replacement of an old RBD and does not change the size of ETPL's fleet.***
- c) Please explain what the \$200,000 capital expenditure in 2012 in account 1980 - System Supervisory Equipment is for.
 - ***Please see responses to Board Staff IR's with respect to the addition of the SCADA system. Board Staff IR's #16 & 18.***
- d) Please explain the significant capital expenditure increase forecast for 2012 in account 1830 - Poles, Towers and Fixtures relative to the amounts shown for 2009 through 2011.
 - ***See responses to VECC IR's 9 through 17 which deal with the capital planning and infrastructure aging that has been addressed with the change in capital spending.***
- e) Please explain the significant capital expenditure increase forecast for 2012 in account 1840 - Underground Conduit relative to the amounts shown for 2009 through 2011. Please confirm that \$115,000 of the increases is related to the Belmont, Hazelwood Crescent Underground upgrade project. If this is confirmed, please explain the remainder of the increases for 2012.
 - ***See responses to VECC IR's 9 through 17 which deal with the capital planning and infrastructure aging that has been addressed with the change in capital spending.***

Interrogatory #12

Ref: Exhibit 2, Tab 3, Schedule 3

- a) Please confirm that the vehicles transferred into the utility rate base in 2010 were at the original cost, along with the accumulated depreciation at the time of the transfer.
 - *All Vehicles transferred into rate base in 2010 were at original cost will all associated accumulated depreciation at the time of the transfer.*
- b) Please provide Erie Thames policy with respect to the replacement of vehicles.
 - *Erie Thames completes its fleet sustainment plan annually for the approval by the Board of Directors. ETPL generally utilizes its large vehicles well beyond the CGAAP accounting useful life range.*
- c) Please provide a list of the vehicles current included in the test year rate base, showing the age of each vehicle.

Description	Location	MODEL	YEAR	ODOMETER
				2010 KM
500 Ing Foreman (Lewy U	Ing	DODGE	2002	177107
1500 Yard Truck	Ing	DODGE	2002	164265
47' single bucket mat.	Ayl	FRHT	2007	52337
CHEV SIVERADO PICKUP	Ayl	CHEV	2011	n/a
50' single bucket mat.	Ayl	FRHT	2002	121843
RBD Ayl single axel	Ayl	INTL	2007	17912
GMC SIERRA PICKUP	HWY 8	GMC	2011	n/a
42' Amador Single Bucket	HWY 8	INTL	1992	56785
RBD King K14	HWY 8	GMC	1992	46886
Dodge Ram 4X4	HWY 8	DODGE	2008	42877
Ford Pickup	HWY 8	Ford	2009	32380
50' Double Buck Posi	HWY 8	FRHT	2010	2387
Terex 40-47 RBD	HWY 8	INTL	2009	14300
50' single bucket mat.	Ing	FRHT	2002	120334
50' double bucket mat.	Ing	FRHT	1997	10601
RBD Ing tandem axel	Ing	INTL	2005	40856
42' single bucket	Ing	FRHT	2005	128314
Caravan (Martin A)	Ing	DODGE	2007	59602
Caravan (Terry S)	Ing	DODGE	2007	102319
MC SIERRA PICKUP (Giulio	Ing	GMC	2011	n/a
1500 4x4 (Eric H)	Ing	DODGE	2002	113051
GMC Terrain	HWY 8	GMC	2011	n/a
Caravan (Eng-Dave)	Ing	DODGE	2006	41329
2500 4X4 (stores)	Ing	DODGE	2008	45562
CHEV 4X4	Ing	CHEV	2008	22000
VUE Hybrid (Engineering)	Ing	SATURN	2009	53323
Ford Escape Hybrid	Ing	FORD	2012	n/a

Interrogatory #13

Ref: Exhibit 2, Tab 3, Schedule 1

Please confirm that the 2011 figures shown in the Working Capital Summary table are actual figures and not forecast values.

- ***The figures shown for 2011 Working Capital Summary table are forecast values, but have been updated as per Board staff IR#1B.***

Interrogatory #14

Ref: Exhibit 2, Tab 4, Schedule 1

- a) Please show the calculation of the cost of power of \$28,937,346.51 include the kWh forecast used and how it ties into the forecast provided in Exhibit 3. Please also show the cost of power rates used and provide the source of these rates.

<u>RESIDENTIAL</u>	kWh	Rates	Cost of Power
Regular	147,767,075	\$0.0647	\$9,557,715.56
<u>GENERAL SERVICE</u>			
GS<50	50,460,667	\$0.0647	\$3,263,844.11
GS>50 to 999 kW	77,849,023	\$0.0647	\$5,035,349.14
Greater than 1,000 to 4,999 kW	69,200,000	\$0.0647	\$4,475,922.09
Large Use	97,146,783	\$0.0647	\$6,283,546.70
Unmetered Scattered Load	618,341	\$0.0647	\$39,994.89
Sentinel Lighting	54,410	\$0.0647	\$3,519.29
Street Lighting	4,289,868	\$0.0647	\$277,472.73
Embedded Distributor	17,350,000	\$0.0647	\$1,122,214.57
	464,736,166		\$28,937,364.51

<u>RESIDENTIAL</u>	kWh	Rates	Cost of Power
Regular	147,767,075	\$0.0647	\$9,557,715.56
<u>GENERAL SERVICE</u>			
GS<50	50,460,667	\$0.0647	\$3,263,844.11
GS>50 to 999 kW	77,849,023	\$0.0647	\$5,035,349.14
Greater than 1,000 to 4,999 kW	69,200,000	\$0.0647	\$4,475,922.09
Large Use	97,146,783	\$0.0647	\$6,283,546.70
Unmetered Scattered Load	618,341	\$0.0647	\$39,994.89
Sentinel Lighting	54,410	\$0.0647	\$3,519.29
Street Lighting	4,289,868	\$0.0647	\$277,472.73
Embedded Distributor	17,350,000	\$0.0647	\$1,122,214.57
	464,736,166		\$30,059,579.08

- Illustrated in the previous two tables is the calculation of the \$28,937,364.51 in Cost of Power. The rates used were calculated from ETPL's IESO average invoice in 2011.
- As is illustrated the cost of power calculated incorrectly summed the cost of power column. When the embedded distribution class is included in the sum the cost of power amount calculated using these rates and billing determinants is \$30,059,579.08.

- b) Please confirm that Erie Thames has split the volumes into RPP and non-RPP volumes and applied the appropriate rate to each set of volumes. If this cannot be confirmed, please revise the cost of power to reflect this approach.

- ***ETPL has revised the cost of power calculation to reflect this approach.***

RESIDENTIAL	kWh	Rates	Cost of Power	RPP	Non RPP	RPP Rate	Non RPP Rate	COP RPP	COP Non RPP	Total COP
Regular	147,767,075	\$0.0647	\$9,557,715.56	124,323,208	23,443,868	0.08069	\$0.0658	\$10,031,639.62	\$1,542,606.50	\$11,574,246.12
GENERAL SERVICE										
GS<50	50,460,667	\$0.0647	\$3,263,844.11	39,775,209	10,685,457	0.08069	\$0.0658	\$3,209,461.62	\$703,103.10	\$3,912,564.72
GS>50 to 999 kW	77,849,023	\$0.0647	\$5,035,349.14	2,670,823	75,178,200	0.08069	\$0.0658	\$215,508.70	\$4,946,725.55	\$5,162,234.24
Greater than 1,000 to 4,999 kW	69,200,000	\$0.0647	\$4,475,922.09	2,374,095	66,825,905	0.08069	\$0.0658	\$191,565.69	\$4,397,144.58	\$4,588,710.27
Large Use	97,146,783	\$0.0647	\$6,283,546.70	3,332,885	93,813,898	0.08069	\$0.0658	\$268,930.50	\$6,172,954.48	\$6,441,884.98
Unmetered Scattered Load	618,341	\$0.0647	\$39,994.89	553,076	65,265	0.08069	\$0.0658	\$44,627.73	\$4,294.42	\$48,922.14
Sentinel Lighting	54,410	\$0.0647	\$3,519.29	34,462	19,948	0.08069	\$0.0658	\$2,780.77	\$1,312.55	\$4,093.32
Street Lighting	4,289,868	\$0.0647	\$277,472.73	1,073,794	3,216,074	0.08069	\$0.0658	\$86,644.43	\$211,617.65	\$298,262.08
Embedded Distributor	17,350,000	\$0.0647	\$1,122,214.57	4,342,867	13,007,133	0.08069	\$0.0658	\$350,425.93	\$855,869.36	\$1,206,295.29
	464,736,166		\$30,059,579.08	178,480,419	286,255,747			\$14,401,585.00	\$18,835,628.17	\$33,237,213.17

- c) Please confirm that Erie Thames has used the RPP and non-RPP prices based on the April 2, 2012 Regulated Price Plan Price Report. If this cannot be confirmed, please revise the cost of power to reflect these prices.

- ***See response to #14B above that recalculates the COP based on the split between RPP and Non RPP and applies the pricing as per the April 2, 2012 Regulated Price Plan Price Report.***

- d) Has Erie Thames used the current 2012 rates for the calculation of the amounts in accounts 4708, 4714, 4716 and 4730? If not, please update the costs to reflect current rates.

- ***ETPL has used the current rates.***

- e) Which rate classes does Erie Thames bill on a monthly basis and which rate classes does Erie Thames bill on a bi-monthly basis? Does Erie Thames have any plans to change this?

- ***All rate classes are billed on a monthly basis and there are no plans to change this.***

Interrogatory #15

Ref: Exhibit 2, Tab 5, Schedule 2

- a) **Are there any costs (capital, OM&A) associated with the Basic GEA Plan that are included in the test year revenue requirement? If yes, please identify and quantify these costs.**
- ***There are no costs associated with the Basic GEA Plan included in the test year revenue requirement.***
- b) **On page 152 of 157, the evidence states that there are presently 59 micro-fit solar installations connected onto the ETPL distribution grid with generation of 545.8 kW. On the following page the evidence states that that there are 48 micro-fit in-service connections generating 399.05 kW operating in the service territory of ETPL. Does this mean that there are 11 micro-fit connections that are connected to the ETPL system that are currently not generating into the system? If not, please reconcile the two sets of figures.**
- ***This discrepancy is due to the fact that there are 11 pending micro fit connections that are not yet operational.***

Interrogatory #16

Ref: Exhibit 3, Tab 1, Schedules 2 and 3

Please reconcile the figures in Schedule 3 for the 2012 test year and 2011 bridge year with the figures shown in summary table included in Schedule 2. For example, Schedule 3 states that the fiscal 2012 operating revenue forecast is \$10,075,517, while the figure in Schedule 2 is \$9,853,772. Similarly Schedule 3 states that the 2011 revenue is expected to be \$1,696,181 greater than the 2010 actual level, while the table in Schedule 2 shows a difference of \$1,479,566.

- ***Schedule 2 was updated prior to the finalization of the filing of ETPL's COS application and the figures referenced in schedule 3 were not updated to reflect the changes.***

Interrogatory #17

Ref: Exhibit 3, Tab 2, Schedule 1

- a) Please expand Table 2 to include actual 2011 data.
 - **See VECC IR #6.**
- b) Please confirm that the 2010 data included in Table 2 and the requested 2011 data from part (a) above include customers of Clinton and West Perth. If this cannot be confirmed, please provide a version of Table 2 that includes data for all three utilities for 2010, 2011 and 2012.
 - **Confirmed.**
- c) Please explain what Erie Thames means by "without loss adjustment" in reference to the figures shown in Table 2. In particular, do the figures shown in Table 2 represent energy purchases or billed energy?
 - **Billed Energy.**

Interrogatory #18

Ref: Exhibit 3, Tab 2, Schedule 1

- a) Please update Tables 3,4,5,8,9,10,13,14,15,18,19,22,25,30,49,50 and 51 to reflect actual data for 2011.
- *Due to the amalgamation of Erie Thames, West Perth and Clinton in 2011, the 2011 actual data were not readily available separately. Some customers were also re-classified to other rate classifications in 2012. This makes the direct comparison of the 2010, 2011 and 2012 values difficult in some customer classes.*
 - *The aggregated 2011 data is shown below*

	kWh/kWh	11.1	11.2	11.3	11.4	Customer Count
Residential	kWh	11,702,354	12,736,302	12,112,131	14,612,304	16,220
CS < 50	kWh	36,374,874	4,875,274	7,101,400	48,265,307	1,877
CS > 50 to 200	kWh	31,602	5,290	36,673	225,305	173
CS > 200 to 2000	kWh	242,605			242,605	0
CS > 2000 to 4000	kWh	50,529			50,529	1
CS > 4000	kWh	10,000			10,000	1
Commercial	kWh	406,647	4,000	16,300	10,000	121
Industrial Light	kWh		100	47	100	50
Street Light	kWh	2,000	1,000	1,000	10,700	4,205
Landscaping	kWh	30,000			30,000	5

- b) Please show how the actual kWh's have been weather adjusted. Please show all calculations and explain where all the figures used come from using 2010 residential for Erie Thames (Table 5) data as an example.

The steps for adjusting the actual kWh are shown below.

1. *Collect hourly temperature data from Environment Canada from 2006 to 2010.*
2. *Calculate the average temperature for each day from 2006 to 2010.*
3. *Calculate HDD and CDD for each day from 2006 to 2010 using the following formula:*

HDD = 18 °C minus average temperature of the day. If the value calculated is less than or equal to zero, that day has zero HDD. But if the value is positive, that number represents the number of HDD on that day.

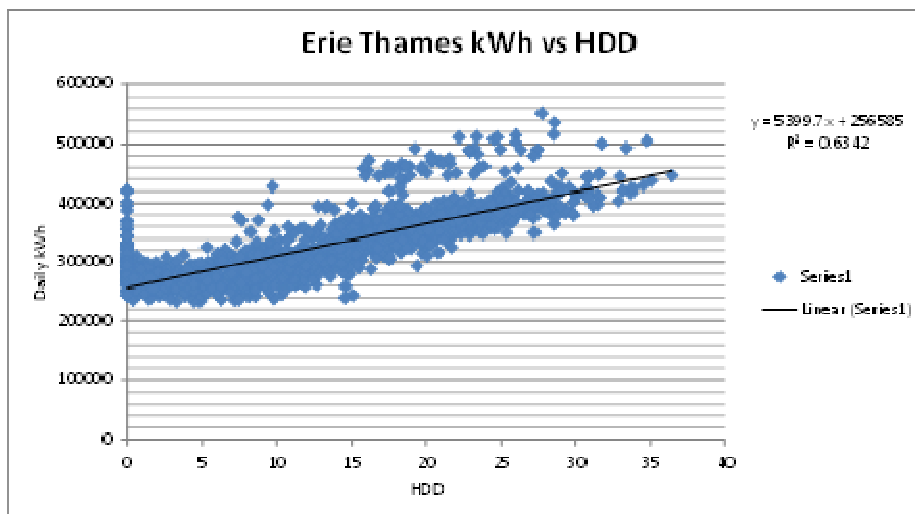
CDD = Average temperature of the day minus 18 °C. If the value calculated is less than or equal to zero, that day has zero CDD. But if the value is positive, that number represents the number of CDD on that day.

4. Calculate the annual HDD from 2006 to 2010. The HDD for the year is calculated by summing the daily HDD from January to May and from October to December.
5. Calculate the annual CDD from 2006 to 2010. The HDD for the year is calculated by summing the daily HDD from January to May and from October to December.

For easy reference, the Annual HDD and CDD from 2006 to 2010 are shown below.

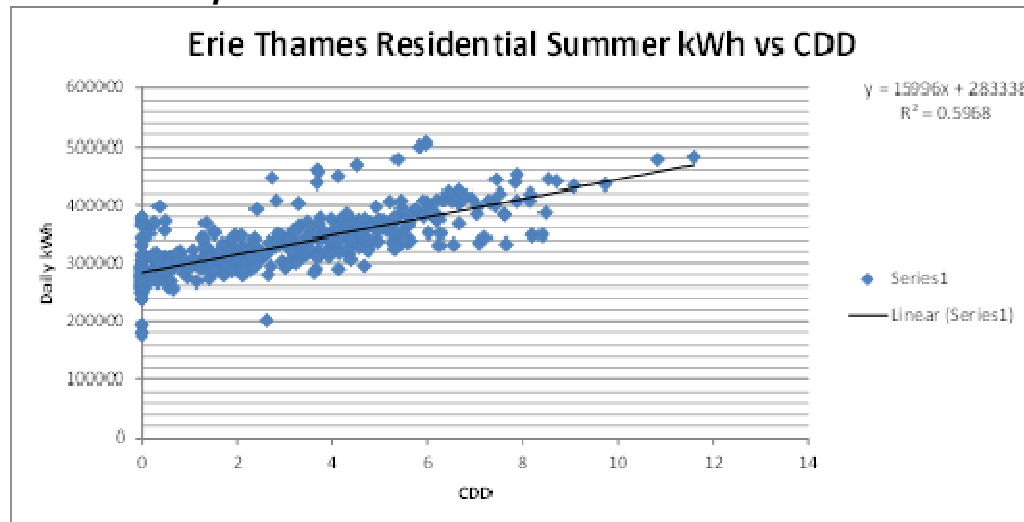
	2006	2007	2008	2009	2010	5 yr average
HDD	3,443	3,709	3,047	3,702	3,624	3,604
CDD	296	296	222	137	305	236

6. Collect Daily KWh of the NSLS of Erie Thames from 2006 to 2010.
7. Plot the daily kWh of the NSLS against the daily HDD for the months from January to May and from October to December for the years from 2006 to 2010. Insert a trend line. The plot is shown below. The slope is 5399.7 kWh/HDD. The 5 year average daily kWh is 329,429. The relationship between the daily kWh and HDD is 1.6% daily kWh demand per HDD.



5 yr kWh average including all years 2006-2010	329,429
kWh/ HDD	5399.7
% kWh/ HDD	1.6%

8. Plot the daily kWh of the NSLS against the daily CDD for the summer months from June to September for the years from 2006 to 2010. Insert a trend line. The plot is shown below. The slope is 15,996 kWh/CDD. The 5 year average summer daily kWh is 324,405 kWh. The relationship between the daily kWh and CDD is 4.9% daily kWh demand per CDD.



5 yr average summer daily kWh	324,405
kWh/CDD	15,996
% kWh/CDD	4.9%

9. Collect the actual monthly kWh for the residential class from 2006 to 2010

Month	2006	2007	2008	2009	2010
Jan	11,977,200	11,978,000	12,062,227	12,307,770	12,353,000
Feb	10,071,150	11,741,525	12,002,050	10,545,400	10,279,750
Mar	10,007,000	11,150,000	12,547,500	10,504,000	9,300,000
Apr	9,100,000	9,400,000	9,000,000	9,727,000	9,200,000
May	9,100,000	9,000,000	7,000,000	9,000,000	9,000,000
Jun	9,200,000	9,000,000	9,000,000	10,000,000	9,200,000
Jul	10,000,000	9,000,000	10,000,000	9,000,000	11,000,000
Aug	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Sep	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Oct	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Nov	9,000,000	9,000,000	11,000,000	9,000,000	9,000,000
Dec	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Annual	121,500,000	120,000,000	121,000,000	120,000,000	120,000,000

10. Calculate the HDD variation from the 5 year average.

	2006	2007	2008	2009	2010
Heating Degree Days (Excluding Summer)	5,175	5,724	5,577	5,563	5,167
Five Year Average HDD	5,244	5,244	5,244	5,244	5,244
Average minus Actual HDD	71	520	667	681	71

11. Calculate the daily average kWh of the residential class excluding summer months (June to September) from 2006 to 2010 for the residential class by adding the actual monthly kWh averages of the non-summer months and divide the total by the total number of days of the non-summer months.

	2006	2007	2008	2009	2010
Average Daily kWh (excluding Summer months)	22,600	22,600	22,600	22,600	22,600

12. Calculate the kWh adjustment for the residential class due to HDD by multiplying the average daily kWh (excluding the summer months) with the “Average minus Actual HDD” with the “% kWh/HDD” calculated in step 7.

	2006	2007	2008	2009	2010
Heating Degree Days (Excluding Summer)	5,175	5,724	5,577	5,563	5,167
Five Year Average HDD	5,244	5,244	5,244	5,244	5,244
Average minus Actual HDD	71	520	667	681	71
Average Daily kWh (excluding Summer months)	22,600	22,600	22,600	22,600	22,600
% daily kWh/HDD	1.60%	1.60%	1.60%	1.60%	1.60%
kWh HDD adjustment	1,202.5	832.0	1,067.3	1,096.5	1,202.5

13. Calculate the CDD variation from the 5 year average.

	2006	2007	2008	2009	2010
Summer Cooling Degree Days	1,200	1,200	1,200	1,200	1,200
Five Year Average CDD	1,200	1,200	1,200	1,200	1,200
Average minus Actual CDD	0	0	0	0	0

14. Calculate the summer (June to September) daily kWh of the residential class from 2006 to 2010 by adding the actual monthly kWh averages of the summer months and divide the sum by the total number of days of the summer months.

	2006	2007	2008	2009	2010
Average Summer Daily kWh	329,901	320,716	304,699	326,813	339,896

15. Calculate the kWh adjustment for the residential class due to CDD by multiplying the average daily kWh of the summer months with the “Average minus Actual CDD” with the “% kWh/CDD” calculated in step 8.

	2006	2007	2008	2009	2010
Summer Cooling Degree Days	256	256	222	137	309
Five Year Average CDD	236	236	236	236	236
Average minus Actual CDD	(20)	(20)	14	99	(73)
Average Summer Daily kWh	329,901	320,716	304,699	326,813	339,896
% daily kWh/CDD	4.90%	4.90%	4.90%	4.90%	4.90%
kWh CDD adjustment	(327,196)	(312,193)	214,324	1,584,718	(1,219,263)

16. Calculate the annual weather adjusted kWh of the residential class by adding the kWh HDD adjustment (step 12) and the kWh CDD adjustment (step 15) to the actual annual kWh.

Residential Customers	2006	2007	2008	2009	2010
Annual (Actual)	121,153,509	120,726,508	118,713,119	118,385,417	120,247,549
kWh HDD adjustment	1,278,257	(125,602)	(1,014,773)	(499,057)	372,087
kWh CDD adjustment	(327,196)	(312,193)	214,324	1,584,718	(1,219,263)
Annual (Weather adjusted)	122,104,570	120,288,713	117,912,670	119,471,078	119,400,372

17. Calculate the average kWh/customer/month for both actual and weather adjusted from 2006 to 2010.

Residential Customers	2006	2007	2008	2009	2010
Annual (Actual)	121,153,509	120,726,508	118,713,119	118,385,417	120,247,549
Annual (Weather adjusted)	122,104,570	120,288,713	117,912,670	119,471,078	119,400,372
Number of customers	12206	12328	12451	12116	12847
kWh/customer/month (actual)	827	816	795	814	780
kWh/customer/month (weather adj.)	834	813	789	822	775

c) Please explain why there are no forecasts for the number of customers for 2011 and 2012 included in Table 3. Please revise the table to include this data for 2011 and 2012, along with the calculation of the kWh/customer/month.

- *The revised Table 3 is shown below.*
- *Table 3 – Annual Clinton Residential Load*

	2007	2008	2009	2010	2011	2012
Actual kWh	12,523,015	11,477,044	11,392,233	11,595,218		
Weather adjusted kWh	12,487,198	11,407,595	11,453,131	11,536,648	11,595,000	11,660,000
change from previous yr		-8.65%	0.40%	0.73%	0.51%	0.56%

	2007	2008	2009	2010	2011	2012
Actual kW	2,478	2,271	2,254	2,294		
Peak Demand kW weather adjusted	2,471	2,257	2,266	2,283	2,294	2,307

	2007	2008	2009	2010	2011	2012
# of Customers	1,764	1,769	1,786	1,797	1,808	1,820
kWh/customer/month	590	537	534	535	534	534

d) Please update all figures to reflect actual data for 2011.

- *Please see answer in 1 A above.*

e) Please explain the decrease in the number of residential customers in 2009 shown in Table 5. Please reconcile this figure (12,116) with that shown in Exhibit 3, Tab 2, Schedule 2 (12,710).

- *The number of customers in 2009 was input incorrectly in table 5 the actual number of customers in 2009 is 12,710.*

ERIE THAMES POWERLINES CUSTOMER COUNT TABLE					
	2006	2007	2008	2009	2010
Residential	12206	12328	12451	12710	12847
GS<50	1375	1375	1388	1382	1378
GS>50 to 999 kW	135	138	141	138	138
#REF!	8	8	8	7	7
#REF!	1	1	1	1	1
Large Use	1	1	1	2	2
Unmetered Scattered Load	95	95	95	100	105
Sentinel Lighting	256	256	256	256	256
Street Lighting	2870	2870	2956	2956	2956
Embedded Distributor	0	2	2	3	3
	16947	17074	17299	17555.11	17693

f) Please explain why the number of residential customers for 2007 through 2010 the same in Table 3 as they are in Table 4. If needed, please provide the corrected table(s).

WEST PERTH POWER CUSTOMER COUNT	2006	2007	2008	2009	2010
Residential	1,747	1,764	1,769	1,786	1,797
GS<50	219	235	239	241	243
GS>50 to 499 kW	18	20	20	20	20
Unmetered Scattered Load	5	5	5	5	5
Sentinel Lighting	7	7	7	7	7
Street Lighting	618	618	618	618	618
	2,614	2,649	2,658	2,677	2,690

CLINTON POWER CUSTOMER COUNT TABLE	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual
Residential	1,391	1,402	1,393	1,411	1,414
GS<50	225	227	220	221	221
GS>50 to 499 kW	17	17	17	17	17
Unmetered Scattered Load	11	11	11	11	11
Sentinel Lighting	38	38	38	38	38
Street Lighting	709	709	709	709	709
	2,391	2,404	2,388	2,407	2,410

g) Table 8 does not appear to be complete in that there are no customer or kWh/customer/month figures provided. Please provide a complete Table 8.

	2006	2007	2008	2009	2010	2011	2012
Customer Counts	1375	1375	1388	1234	1378	1379	1380
% change		0.0%	0.9%	-11.1%	11.7%	0.1%	0.1%
	2006	2007	2008	2009	2010	2011	2012
kWh (actual)	38,293,129	38,462,309	37,217,234	36,016,683	37,246,433	37,010,861	37,037,700
kWh (weather adjusted)	38,593,732	38,322,832	36,966,289	36,346,976	36,984,022	37,010,861	37,037,700
	2006	2007	2008	2009	2010	2011	2012
kWh/customer/month (actual)	2,321	2,331	2,234	2,433	2,252	2,237	2,237
kWh/customer/month (weather adjusted)	2,339	2,323	2,219	2,455	2,237	2,237	2,237

Interrogatory #19

Ref: Exhibit 3, Tab 2, Schedule 2

- a) Please update the Customer Counts table on page 5 to reflect actual 2011 data.
- *Please see responses to VECC IR #31.*
- b) Are the customer figures shown in the table on page 5 average numbers for the year or year-end figures?
- *The customer figures shown are year end figures.*
- c) Please provide a version of the Normalized Average Consumption table shown on page 4 that includes weather adjusted (or normalized) kWhs for 2008 through 2011 (with 2011 based on actual weather adjusted figures) and the forecast for 2012.
- *The 2011 actual data was not readily available for each separate entity (see Answer for question a).*
- d) Please reconcile the last sentence under the table on page 3 that stated "Secondly this customer class remains with 7 customers despite the addition of the Ethanol Plant due to the closure of Atlantic Packaging in Ingersoll Ontario" with the figures shown in the table.
- *The number of customers was misstated in the explanation, the change referenced still applies however this is coupled by the reclassification of customers down to the lower rate class.*
- e) How has Erie Thames reflected the impact of CDM on the kWh and kW forecast for the test year?
- *Please see response to Board staff IR #21.*
- f) Please provide further explanation for the increase of only 82 residential customers in 2012 given the average of more than 250 per year over the 2009 to 2011 period.
- *Growth within ETPL's service territory has stagnated with the current economic environment in southwestern Ontario.*
 - *As seen in ETPL's response to VECC IR #31 C ETPL's customer count is significantly less than the forecast of 16,461 referenced here as it is currently at 16,007.*

Interrogatory #20

Ref: Exhibit 3, Tab 2, Schedule 1, Section 12

- a) Please provide the data used in each of the linear trendlines that was used to project the customer growth for 2012 for the residential and GS <50 classes.

- ***The Erie Thames (before amalgamation) residential customer counts data are shown below.***

	2006	2007	2008	2009	2010	2011	2012
Customer Counts	12206	12328	12451	12116	12847	12864	12880

- ***The Erie Thames (before amalgamation) GS <50 customer counts data are shown below.***

	2006	2007	2008	2009	2010	2011	2012
Customer Counts	1375	1375	1388	1234	1378	1379	1380

- b) The evidence states that the 2012 forecast for the residential and GS<50 classes is based on the projected customer count and the weather adjusted kWh per customer per month. Please explain and show how the weather adjusted kWh per customer per month has been forecast for 2012 since it appears that only the former Erie Thames figures have been held constant at the 2010 levels (Tables 5 and 10), while for example, the kWh/customer/month figure for 2012 shown in Table 4 shows a decline from 2010 and the corresponding figure for 2012 shown in Table 9 shows an increase from 2010.

- ***The 2012 forecast for the residential and GS < 50 classes involved the following steps.***
 1. ***Collect historic kWh and customer counts for each of the supply areas of Erie Thames, Clinton and West Perth.***
 2. ***Collect Net System Load Shape data for each supply area and perform weather adjustment for each year. The calculation steps are shown in the answer to question #18 b).***
 3. ***Project the weather adjusted kWh per year per supply area using trending and extrapolation.***
 4. ***Project the customer counts per supply area using trending and extrapolation.***

5. Calculate weather adjusted kWh/customer/month and check for trending and consistency.

- The results of the weather adjusted residential forecast are shown below.***

Erie Thames

Residential Customers	2006	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	121,153,509	120,726,508	118,713,119	118,385,417	120,247,549		
Annual kWh (Weather adjusted)	122,104,570	120,288,713	117,912,670	119,471,078	119,400,372	119,558,371	119,707,075
Number of customers	12206	12328	12451	12116	12847	12864	12880
kWh/customer/month (actual)	827	816	795	814	780		
kWh/customer/month (weather adj.)	834	813	789	822	775	775	775

Clinton

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	12,523,015	11,477,044	11,392,233	11,595,218	-	-
Annual kWh (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648	11,595,000	11,660,000
Number of customers	1,764	1,769	1,786	1,797	1,808	1,820
kWh/customer/month (actual)	592	541	532	538		
kWh/customer/month (weather adj.)	590	537	534	535	534	534

West Perth

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	15,466,784	15,585,731	15,243,552	16,271,614		
Annual kWh (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193	16,200,000	16,400,000
Number of customers	1,764	1,769	1,786	1,797	1,828	1,845
kWh/customer/month (actual)	731	734	711	755		
kWh/customer/month (weather adj.)	727	729	716	750	739	741

Aggregated Total

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	148,716,307	145,775,894	145,021,202	148,114,381	-	-
Annual kWh (Weather adjusted)	148,167,694	144,805,579	146,275,664	147,118,213	147,353,371	147,767,075
Number of customers	15,856	15,989	15,688	16,441	16,500	16,545
kWh/customer/month (actual)	782	760	770	751		
kWh/customer/month (weather adj.)	779	755	777	746	744	744

Interrogatory #21

Ref: Exhibit 3, Tab 2, Schedule 4

For each rate class, please provide the number of customers in 2012 based on the most recent month available, along with the number of customers at the end of the corresponding month in 2011.

- ***Please see VECC IR # 31.***

Interrogatory #22

Ref: Exhibit 3, Tab 3, Schedule 1

- a) Please update the table to reflect actual data for 2011.
- ***Please see Board staff IR #1.***
- b) Please provide the most recent year-to-date revenues available for 2012 in the same level of detail as shown in the table. Please also provide the year-to-date revenues for the same period in 2011.

	YTD 2012
OTHER DISTRIBUTION REVENUE	
<u>Other Distribution Revenue</u>	
Retail Services Revenues	-\$13,014
Service Transaction Requests (STR) Revenues	-\$6,385
Electric Services Incidental to Energy Sales	
Rent from Electric Property	-\$6,498
Other Utility Operating Income	
Other Electric Revenues	-\$62,469
Late Payment Charges	-\$87,047
Sales of Water and Water Power	
Miscellaneous Service Revenues	-\$21,540
TOTAL	-\$196,953

- c) Where are the SSS administration fees included in the table? What is the SSS related forecast for 2012?
- ***The SSS admin fees are not included in the table.***
 - ***The SSS revenue forecast for 2012 is \$63,500.***
- d) Where are the micro-fit revenues included in the table? What is the micro-fit related forecast for 2012?
- ***Micro-fit related revenues are not included in the table.***
 - ***There is no forecast for 2012.***
- e) Where is interest income included in the table? Please provide the actual interest income for 2008 through 2011, along with the forecast for 2012.
- ***Interest income is not included in the table.***
 - ***2008 \$159,628.21***

- **2009 \$71,201.64**
- **2010 \$94,660.80**
- **2011 \$87,205.39**
- **2012 YTD \$2,750.61**

Interrogatory #23

**Ref: Exhibit 3, Tab 3, Schedule 4 &
Exhibit 6, Tab 2, Schedule 1**

Please reconcile the 2012 Test total distribution revenues using existing rates shown in Exhibit 3, Tab 3, Schedule 4 of \$7,950,366 with the figure of \$8,403,654 shown in Exhibit 6, Tab 2, Schedule at current approved rates.

- ***Please see responses VECC IR #59 E***

Interrogatory #24

Ref: Exhibit 4, Tab 2, Schedule 1

With respect to the "Summary of Operating Costs Table", please provide the following:

- a) Please indicate where property taxes are included in the table. Please show the actual property tax expenses for 2008 through 2011 and the forecast for 2012.
 - ***ETPL does not pay property tax since it does not own the building within which it operates.***
 - ***ETPL rents its buildings and the cost for property taxes is included in its rent expense.***
- b) Please provide a version of the summary table that excludes amortization expenses and the cost of power and includes actual data for 2011.
 - ***Please see the responses to SEC IR #8.***
- c) Please provide the most recent-year-to-date actuals that are available for 2012 in the same level of detail as shown in the table, along with the corresponding figures for 2011 for the same year-to-date period.
 - ***Please see the responses to VECC IR #39 A.***

Interrogatory #25

Ref: Exhibit 4, Tab 2, Schedule 1

- a) Please explain the significant drop in account 5310 (meter reading expense) in 2011 as compared to 2010 and 2012. Please also provide the actual expense recorded in account 5310 in 2011.
- *Actual figures for this account is provided in board staff IR #1.*
 - *The fluctuations in this account over the year is due to the changes with how ETPL has received its billing services from its affiliates. In some years ETPL has received its meter reading as part of its billing contract and more recently ETPL has incurred this cost directly.*
- b) Please explain the \$60,000 increase in account 5315 (customer billing) forecast for 2012. Please also provide the actual expense recorded in account 5315 in 2011.
- *ETPL has provided the actual expense in Board staff IR #1 and the revised year over year difference is only \$6,000.*
- c) For both accounts 5310 and 5315, please provide the most recent year-to-date cost available for 2012, along with the cost for the corresponding period in 2011.
- *Most recent year to date costs are provided in VECC IR # 39 and the 2011 data is provided in Board staff IR # 1.*
- d) Please explain why there is no property insurance costs (account 5635) shown for 2011 or 2012 and why there are injuries and damages (account 5640) forecast for 2011 and 2012 where previously there were no costs.
- *ETPL had difficulties in calculating its 2012 forecast based on the significant changes that ETPL underwent in 2011 with the merger of ETPL, CPC and WPPI into one entity in June of 2011 and the implementation of a new accounting system in October of 2011.*
 - *Some inconsistencies such as that detailed above have occurred however on a total basis ETPL is confident that its costs are correctly incorporated.*
- e) Please explain what the costs shown in account 5670 (rent) are related to and explain how the forecast for 2011 and 2012 has been determined.
- *ETPL does not own its buildings and pays rent to EARTH Corp for the use of its buildings.*
 - *Please see responses to Board staff IR #35.*

- f) Please explain why there are no bad debt expenses (account 5335) forecast for the test year.
- *Bad debt expenses have been erratic within ETPL, CPC and WPPI's historic results and given that in 2011 the amount was a credit in the financials ETPL did not forecast an amount for 2012.*

Interrogatory #26

Ref: Exhibit 4, Tab 2, Schedule 3

Please update the OM&A cost per customer table to reflect actual data for 2011.

- ***Please see response to Board staff IR#1.***

Interrogatory #27

Ref: Exhibit 4, Tab 2, Schedule 4

Please update Appendix 2-K to reflect actual data for 2011.

- ***Please see response to Board staff IR#1.***

Interrogatory #28

**Ref: Exhibit 4, Tab 2, Schedule 6 &
Exhibit 2, Tab 2, Schedule 1, Appendix 2-B**

- a) Please confirm that Erie Thames has used the half year rule for depreciation for assets added in the current year in each of 2008 through 2011 in addition to the 2012 test year.
 - ***Erie Thames has applied the half year rule at all times.***
- b) Please confirm that the 2008 rates for Erie Thames also reflect this use of the half year rule.
 - ***Erie Thames 2008 rates also reflect the use of the half year rule.***
- c) Please reconcile the depreciation expense of \$1,759,024.99 shown in Exhibit 4, Tab 2, Schedule 6 with the figure of \$1,930,321 shown in Appendix 2-B in Exhibit 2, Tab 2, Schedule 1 for 2012. Please also explain why the opening value of the gross assets between the two tables differs by more than \$1 million.
 - ***ETPL referenced the capital spend in 2010 incorrectly for the treatment of the vehicles transferred from its affiliate.***
 - ***ETPL has included a copy of an updated Appendix 2M that rectifies both issues identified.***
- d) Please explain why the depreciation expense for each of 2009 through 2011 shown in Appendix 2-M does not match the depreciation expense shown in Appendix 2-B.
 - ***Please see response to question # 28 C above.***

Interrogatory #29

Ref: Exhibit 4, Tab 2, Schedule 7

- a) Please confirm that 2011 figures used in calculation of the loss factors are actual figures. If this cannot be confirmed, please update the table to include actual 2011 data.
 - ***The 2011 figures used in the calculation of the loss factors are actual.***
- b) Please confirm that the 5 years of data includes losses for the three areas being merged. If this cannot be confirmed, please provide a version of the table that incorporates figures for all three areas.
 - ***All the data utilized to calculate the loss factors are merged information.***
- c) The total loss factor for secondary metered customers is shown as 4.83%. Please reconcile this with the rate impact schedules shown in Exhibit 8, Tab 1, Schedule 8 that appear to use a loss factor of 4.21%.
 - ***ETPL utilized the DLF of 4.21% in Exhibit 8 tab 1 schedule 8.***

- **ETPL has reflected all additions and deductions for the combined entity.**

		Test Year Taxable Income
Net Income Before Taxes		1,128,692

	T2 S1 line #	
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104	1,759,025
Total Additions		1,759,025
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	1,218,452
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10 CEC	405	239,418
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves end of year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Total Deductions		1,457,870
NET INCOME FOR TAX PURPOSES		1,429,847
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of preceding taxation years from Schedule 7-1	331	
Net-capital losses of preceding taxation years (Please show calculation)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
REGULATORY TAXABLE INCOME		1,429,847

Interrogatory #31

Ref: Exhibit 4, Tab 3, Schedule 3

Please update the CCA schedule for 2011 and 2012 to reflect the actual CCA based on the 2011 tax filing

2011 Bridge										
Class	Class Description	UCC Opening Balance	Additions	Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$16,375,106			\$16,375,106	\$0	\$16,375,106	2%	\$384,029	\$15,991,077
2	Distribution System - pre 1988	\$0			\$0	\$0	\$0		\$0	\$0
8	General Office/Stores Equip	\$1,658,144	\$665,174		\$2,323,318	\$332,587	\$1,990,731	12%	\$233,431	\$2,089,887
10	Computer Hardware/ Vehicles	\$319,309	\$407,530		\$726,839	\$203,765	\$523,074	18%	\$92,003	\$634,836
10.1	Certain Automobiles	\$0			\$0	\$0	\$0		\$0	\$0
12	Computer Software	-\$91,469	\$690,431		\$598,962	\$345,216	\$253,747	59%	\$148,772	\$450,190
13		\$826	\$151,536		\$152,362	\$75,768	\$76,594	12%	\$9,333	\$143,029
13.1	Lease # 1	\$0			\$0	\$0	\$0		\$0	\$0
13.2	Lease #2	\$0			\$0	\$0	\$0		\$0	\$0
13.3	Lease # 3	\$0			\$0	\$0	\$0		\$0	\$0
13.4	Lease # 4	\$0			\$0	\$0	\$0		\$0	\$0
14	Franchise	\$0			\$0	\$0	\$0		\$0	\$0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	\$0			\$0	\$0	\$0		\$0	\$0
43.1	Certain Energy-Efficient Electrical Generating Equipment	\$0			\$0	\$0	\$0		\$0	\$0
45	Computers & Systems Software acq'd post Mar 22/04	\$4,591			\$4,591	\$0	\$4,591	26%	\$1,211	\$3,380
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$0			\$0	\$0	\$0		\$0	\$0
47	Distribution System - post 22-Feb-2005	\$5,950,927	\$1,264,147		\$7,215,074	\$632,074	\$6,583,001	5%	\$309,710	\$6,905,364
50		\$482	\$30,414		\$30,896	\$15,207	\$15,689	32%	\$5,059	\$25,837
98	No CCA	\$0	\$433,461		\$433,461	\$216,731	\$216,731		\$0	\$433,461
	TOTAL	\$24,217,916	\$3,642,693	\$0	\$27,860,609	\$1,821,347	\$26,039,263		\$1,183,548	\$26,677,061

2012 Test										
Class	Class Description	UCC Opening Balance	Additions	Dispositions	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$15,991,077			\$15,991,077	\$0	\$15,991,077	2%	\$375,023	\$15,616,054
2	Distribution System - pre 1988	\$0			\$0	\$0	\$0		\$0	\$0
8	General Office/Stores Equip	\$2,089,887	\$35,000		\$2,124,887	\$17,500	\$2,107,387	12%	\$247,110	\$1,877,777
10	Computer Hardware/ Vehicles	\$634,836	\$605,000		\$1,239,836	\$302,500	\$937,336	18%	\$164,867	\$1,074,969
10.1	Certain Automobiles	\$0			\$0	\$0	\$0		\$0	\$0
12	Computer Software	\$450,190			\$450,190	\$0	\$450,190	59%	\$263,947	\$186,244
13		\$143,029			\$143,029	\$0	\$143,029	12%	\$17,449	\$125,580
13.1	Lease # 1	\$0			\$0	\$0	\$0		\$0	\$0
13.2	Lease #2	\$0			\$0	\$0	\$0		\$0	\$0
13.3	Lease # 3	\$0			\$0	\$0	\$0		\$0	\$0
13.4	Lease # 4	\$0			\$0	\$0	\$0		\$0	\$0
14	Franchise	\$0			\$0	\$0	\$0		\$0	\$0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	\$0			\$0	\$0	\$0		\$0	\$0
43.1	Certain Energy-Efficient Electrical Generating Equipment	\$0			\$0	\$0	\$0		\$0	\$0
45	Computers & Systems Software acq'd post Mar 22/04	\$3,380			\$3,380	\$0	\$3,380	26%	\$892	\$2,488
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$0			\$0	\$0	\$0		\$0	\$0
47	Distribution System - post 22-Feb-2005	\$6,905,364	\$2,625,000		\$9,530,364	\$1,312,500	\$8,217,864	5%	\$386,626	\$9,143,738
50		\$25,837			\$25,837	\$0	\$25,837	32%	\$8,331	\$17,506
98	No CCA	\$433,461	\$60,000		\$493,461	\$30,000	\$463,461		\$0	\$493,461
	TOTAL	\$26,677,061	\$3,325,000	\$0	\$30,002,061	\$1,662,500	\$28,339,561		\$1,464,244	\$28,537,817

Interrogatory #32

Ref: Exhibit 4, Tab 3, Schedule 1

- a) **Does Erie Thames have any positions eligible for the Ontario Apprenticeship Tax Credit, the Federal Training Tax Credit or the Ontario Co-op Education Tax Credit? If yes, please provide details on the number of positions eligible for each tax credit.**
- ***ETPL does have two positions eligible for the Ontario Apprenticeship tax credit.***
- b) **Did Erie Thames claim any tax credits in the 2011 tax filing? If yes, please provide details.**
- ***ETPL did not claim any tax credits in the 2011 tax filing.***

Interrogatory #33

Ref: Exhibit 4, Tab 3, Schedule 4

Please file a copy of the 2011 tax return.

- ***ETPL has provided a PDF copy of its return as part of this response.***

Interrogatory #34

Ref: Exhibit 5, Tab 1, Schedule 2

- a) Please confirm that Erie Thames has updated the cost of long term debt to 4.41% and the return on equity to 9.12% as per the Board's March 2, 2012 letter "Cost of Capital Parameter Updates for 2012 Cost of Service Applications for Rates Effective May 1, 2012" in place of the figures shown in Table 6-1. Please also confirm that the revenue deficiency has been calculated using the 4.41% long term debt rate and the 9.12% return on equity. If this cannot be confirmed, please update the calculation of the revenue deficiency to reflect these figures.
- **Confirmed.**
- b) In a number of places the evidence states that "It is recognized that this rate will be updated at the time of the rate decision to reflect the current rate in effect as per the calculations and terms outlined in the December 11, 2009 *"Report of the Board on the Cost of Capital for Ontario's Regulated Utilities"*". Is Erie Thames proposing that if the Board issues a letter establish the cost of capital parameter updates for 2013 cost of service applications for rates effective January 1, 2013 that those parameters would be used in place of those in the March 2, 2012 letter? Please explain.
- ***ETPL is not proposing the use of cost of capital parameters that the Board may issue for 2013 COS applications. ETPL will use those parameters as detailed in the March 2, 2012 letter.***

Interrogatory #35

Ref: Exhibit 6, Tab 2, Schedule 1

Please explain why the distribution revenue line shown in the table is \$8,403,654 at current approved rates and \$8,504,682 at proposed rates. Is this difference related to the LV charges? If not, please explain why distribution revenues at current approved rates are different in the two columns.

- ***Low Voltage revenue is the difference between the two columns.***

Interrogatory #36

Ref: Exhibit 7, Tab 1, Schedule 1

- a) Please confirm that the Board issued new ranges in the EB-2010-0219 Report of the Board dated March 31, 2011 that reduces the range for the GS > 50 to 4,999 kW classes to 80% to 120% and established a range for the Large Use class of 85% to 115%.
 - ***Confirmed.***
- b) Do the above ranges impact on any of the Erie Thames proposal with respect to the revenue to cost ratios? Please explain fully.
 - ***Please see responses to VECC IR's #50 & 51.***

Interrogatory #37

Ref: Exhibit 7, Tab 1, Schedule 2

a) Please provide a revised table that currently shows all revenue to cost ratios moved to 100% that incorporates the following:

- 1) If the 2012 revenue to cost ratio is within the Board approved range, then no change to that ratio is required;
 - 2) If the 2012 revenue to cost ratio is above (below) the Board approved range, the ratio should be moved to the top (bottom) of the Board approved range; and,
 - 3) Any changes required for (2) above should be reflected by moving those rate classes furthest from unity towards the next furthest ratio from unity, and moving both of those classes in lockstep to the next furthest from unity and so on as required.
- *Only the embedded distributor and unmetered class revenue to cost ratio's were not within the board approved ranges.*
 - *Adjustments have been made and are reflected in the table below.*

Sunday, September 16, 2012									
Version 1									
	Residential	GS < 50	GS>50 to 999 kW	GS>1000 to 4999 kW	Large Use	Sentinel Lighting	Street Light	Embedded	Unmetered
2012 CA Revenue to Cost %	105.56%	93.77%	85.45%	85.45%	103.38%	74.36%	103.85%	69.57%	28.70%
Board Staff Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	80.00%	80.00%
Board Staff Max RC%	115.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%
2012 DRR Current Rates	4,868,699	1,016,184	926,213	444,668	349,473	20,837	385,197	114,965	13,889
2012 Misc. Revenue	597,067	130,812	98,451	35,404	17,262	2,742	31,623	4,399	11,941
2012 Total Revenue Current Rates	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	119,364	25,830
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	51.30%
Minimum Adjustment									
Current RC%	105.56%	93.77%	85.45%	85.45%	103.38%	74.36%	103.85%	69.57%	28.70%
Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	80.00%	80.00%
Max RC%	115.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%	120.00%
	\$ 1,0556								
2012 Total Revenue	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	119,364	25,830
Min Adjustment	-	-	-	-	-	-	-	17,904	46,179
2012 Min Adjusted Total Revenue	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	137,268	72,009
Allocation of Balance	(64,083.04)						(2,470.18)		
2012 Adjusted Total Revenue	5,401,683	1,146,996	1,024,664	480,072	366,735	23,579	414,350	137,268	72,009
2012 Total Revenue %	59.57%	12.65%	11.30%	5.29%	4.04%	0.26%	4.57%	1.51%	0.79%
2012 Total Revenue	6,021,058	1,278,514	1,142,155	535,119	408,786	26,283	461,861	153,008	80,266
less: 2009 Misc. Rev. Projection	555,849	118,029	105,441	49,401	37,738	2,426	42,638	14,125	7,410
2012 Min Adjusted BRR	5,465,208	1,160,485	1,036,714	485,718	371,048	23,856	419,223	138,882	72,856
New BRR%	59.57%	12.65%	11.30%	5.29%	4.04%	0.26%	4.57%	1.51%	0.79%
100% DRR Adjustment									
2012 Total Revenue Current Rates	5,465,766.00	1,146,996.00	1,024,664.00	480,072.00	366,735.00	23,579.00	416,820.00	119,364.00	25,830.00
2012 Total Revenue @ 100% RC	5,177,777.09	1,223,205.75	1,199,071.84	561,784.95	354,730.01	31,708.07	401,349.36	171,584.96	90,011.34
2012 Current Rates Total Revenue %	56.21%	13.28%	13.02%	6.10%	3.85%	0.34%	4.36%	1.86%	0.98%
2012 Total Revenue	5,681,335	1,342,167	1,315,686	616,421	389,229	34,792	440,382	188,272	98,765
less: 2009 Misc. Rev. Projection	524,487	123,906	121,461	56,906	35,933	3,212	40,655	17,381	9,118
2012 100% RC BRR	5,156,848	1,218,261	1,194,225	559,514	353,296	31,580	399,727	170,891	89,648
New BRR %	56.21%	13.28%	13.02%	6.10%	3.85%	0.34%	4.36%	1.86%	0.98%
Actual Applied for RC Ratio									
Actual Applied for RC Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

In responding to this question, please assume that the Board approved range for the Embedded rate class is the same as the GS > 50 to 4,999 kW rate class of 80% to 120%.

c) Please provide the 3 tables under the heading "Summary of Results and Proposed Changes" that results from the response to part (a).

Class Erie Thames	Consumption kWh	Consumption kW	May 2011 Bill	May 2012 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 27.10	\$ 27.81	\$ 0.71	2.62%	2.6%	-1.3%
	250		\$ 42.75	\$ 43.16	\$ 0.41	0.96%		
	500		\$ 68.83	\$ 68.75	\$ (0.08)	-0.12%		
Average Customer	750		\$ 100.13	\$ 99.46	\$ (0.67)	-0.67%		
	1,000		\$ 121.00	\$ 119.93	\$ (1.07)	-0.88%		
	1,500		\$ 173.17	\$ 171.11	\$ (2.06)	-1.19%		
	2,000		\$ 225.33	\$ 222.29	\$ (3.04)	-1.35%		
General Service Less Than 50 kW	1,000		\$ 120.68	\$ 121.95	\$ 1.27	1.1%	1.1%	-0.6%
	1,500		\$ 220.46	\$ 220.48	\$ 0.02	0.0%		
Average Customer	5,000		\$ 518.27	\$ 516.09	\$ (2.18)	-0.4%		
	10,000		\$ 1,015.25	\$ 1,008.76	\$ (6.49)	-0.6%		
GS>50 to 999 kW	50,000	60	\$ 3,689.92	\$ 3,609.00	\$ (80.92)	-2.2%	-2.2%	-18.3%
	50,000	100	\$ 4,026.72	\$ 3,881.64	\$ (145.08)	-3.6%		
Average Customer	50,000	500	\$ 4,455.13	\$ 3,670.23	\$ (784.90)	-17.6%		
	50,000	1,000	\$ 8,694.71	\$ 7,107.88	\$ (1,586.83)	-18.3%		
GS>1000 to 4999 kW	75,000	1,000	\$ 18,017.52	\$ 17,482.30	\$ (535.22)	-3.0%	-3.0%	-12.8%
	75,000	1,250	\$ 21,885.63	\$ 19,842.14	\$ (2,043.49)	-9.3%		
Average Customer	75,000	2,500	\$ 31,858.45	\$ 28,161.11	\$ (3,697.34)	-11.6%		
	75,000	3,500	\$ 41,831.27	\$ 36,480.08	\$ (5,351.19)	-12.8%		
Large Use	100,000	6,000	\$ 78,463.85	\$ 69,201.65	\$ (9,262.20)	-11.8%	-11.8%	-11.8%
Unmetered Scattered Load - Avg Customer	100		\$ 12.32	\$ 23.02	\$ 10.70	86.9%		
Street Lighting - Avg Customer	25	1	\$ 22.73	\$ 25.74	\$ 3.01	13.2%		
Sentinel	50	1	\$ 19.97	\$ 12.15	\$ (7.82)	-39.2%		

Class West Perth	Consumption kWh	Consumption kW	May 2011 Bill	May 2012 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 24.89	\$ 27.81	\$ 2.92	11.73%	11.7%	7.6%
	250		\$ 39.24	\$ 43.16	\$ 3.92	9.99%		
	500		\$ 63.14	\$ 68.75	\$ 5.61	8.89%		
Average Customer	800		\$ 91.83	\$ 99.46	\$ 7.63	8.31%		
	1,000		\$ 110.95	\$ 119.93	\$ 8.98	8.09%		
	1,500		\$ 158.76	\$ 171.11	\$ 12.35	7.78%		
	2,000		\$ 206.57	\$ 222.29	\$ 15.72	7.61%		
General Service Less Than 50 kW	1,000		\$ 112.28	\$ 121.95	\$ 9.67	8.6%	8.6%	1.2%
	2,000		\$ 210.59	\$ 220.48	\$ 9.89	4.7%		
Average Customer	5,000		\$ 505.52	\$ 516.09	\$ 10.57	2.1%		
	10,000		\$ 997.06	\$ 1,008.76	\$ 11.70	1.2%		
GS>50 to 999 kW	50,000	60	\$ 3,913.45	\$ 3,609.00	\$ (304.45)	-7.8%	-4.4%	-45.8%
	50,000	250	\$ 4,061.37	\$ 3,881.64	\$ (179.73)	-4.4%		
Average Customer	50,000	500	\$ 6,776.29	\$ 3,670.23	\$ (3,106.06)	-45.8%		
	50,000	1,000	\$ 10,029.52	\$ 7,107.88	\$ (2,921.64)	-29.1%		
Unmetered Scattered Load - Avg Customer	600		\$ 65.26	\$ 23.02	\$ (42.24)	-64.7%		
Street Lighting - Avg Customer	25	1	\$ 19.44	\$ 25.74	\$ 6.30	32.4%		
Sentinel	50	1	\$ 10.15	\$ 12.15	\$ 2.00	19.7%		

Class Clinton Power	Consumption kWh	Consumption kW	May 2011 Bill	May 2012 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100		\$ 24.16	\$ 27.81	\$ 3.65	15.11%	15.1%	1.8%
	250		\$ 39.50	\$ 43.16	\$ 3.66	9.27%		
	500		\$ 65.05	\$ 68.75	\$ 3.70	5.69%		
Average Customer	800		\$ 95.72	\$ 99.46	\$ 3.74	3.91%		
	1,000		\$ 116.17	\$ 119.93	\$ 3.76	3.24%		
	1,500		\$ 167.29	\$ 171.11	\$ 3.82	2.28%		
	2,000		\$ 218.41	\$ 222.29	\$ 3.88	1.78%		
General Service Less Than 50 kW	1,000		\$ 126.58	\$ 121.95	\$ (4.63)	-3.7%	-2.0%	-3.7%
	2,000		\$ 226.94	\$ 220.48	\$ (6.46)	-2.8%		
Average Customer	5,000		\$ 528.04	\$ 516.09	\$ (11.95)	-2.3%		
	10,000		\$ 1,029.87	\$ 1,008.76	\$ (21.11)	-2.0%		
GS>50 to 999 kW	50,000	60	\$ 4,013.65	\$ 3,609.00	\$ (404.65)	-10.1%	-10.1%	-55.7%
	50,000	100	\$ 4,402.14	\$ 3,881.64	\$ (520.50)	-11.8%		
Average Customer	50,000	500	\$ 8,287.10	\$ 3,670.23	\$ (4,616.87)	-55.7%		
	50,000	1,000	\$ 13,143.29	\$ 7,107.88	\$ (6,035.41)	-45.9%		
Unmetered Scattered Load - Avg Customer	600		\$ 74.24	\$ 23.02	\$ (51.22)	-69.0%		
Street Lighting - Avg Customer	25	1	\$ 22.46	\$ 25.74	\$ 3.28	14.6%		
Sentinel	50	1	\$ 6.15	\$ 12.15	\$ 6.00	97.6%		

d) Based on the response provided in part (a), do any rate classes require mitigation as a result of moving their ratios to the bottom of the Board approved ranges?

- *West Perth Power Street lighting and Sentinel Lighting Classes require mitigation*
- *Clinton Residential, Street lighting and Sentinel lighting classes require mitigation*
- *ETPL Unmetered and Street lighting classes require mitigation*

Interrogatory #38**Ref: Exhibit 8, Tab 1, Schedule 1**

For each rate class shown in the table on the first page, please provide the floor and ceiling values for the service charge that comes out of the model.

Customer Class	MSC Floor	MSC Ceiling Value
Residential	\$ 5.48	\$ 19.68
GS < 50 kW	\$ 10.15	\$ 34.84
GS>50 to 999 kW	\$ 32.97	\$ 117.93
GS>1000 kW to 4999 kW	\$ 59.72	\$ 190.02
Large Use	\$ 67.60	\$ 457.31
Sentinel Lighting	\$ 0.38	\$ 9.16
Street Lights	\$ 0.00	\$ 8.13
Unmetered	\$ 19.55	\$ 58.81
Embedded Distributor	\$ 36.41	\$ 100.75

Interrogatory #39

Ref: Exhibit 8, Tab 1, Schedule 6

On the page titled "Summary of Proposed Rate Schedule", the evidence states that the increase in the monthly customer charge for a residential customer in the WPPI area is \$2.60. Please confirm that the increase is actually \$1.60.

- ***Confirmed***

File Number: EB-2012-0121

Appendix 2-M Depreciation and Amortization Expense

Year: 2008

Account	Description	Opening Balance	Less Fully Depreciated ¹	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Did Depreciation Rate in "g" Change (Yes/No)? ³
		(a)	(b)	(c) = (a) - (b)	(d)	(e) = (c) + ½ x (d) ²	(f)	(g) = 1 / (f)	(h) = (e) / (f)	
1805	Land	\$ 150,428.71	\$ -	\$ 150,428.71	\$ -	\$ 150,428.71				
1808	Buildings	\$ 125,849.00	\$ -	\$ 125,849.00	\$ 10,160.00	\$ 130,929.00	25.00	4.0%	\$ 5,237.16	
1810	Leasehold Improvements	\$ 7,040.00	\$ -	\$ 7,040.00	\$ -	\$ 7,040.00	10.00	10.0%	\$ 704.00	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1820	Distribution Station Equipment <50 kV	\$ 474,668.78	\$ -	\$ 474,668.78	\$ 24,559.98	\$ 486,948.77	25.00	4.0%	\$ 19,477.95	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	25.00	4.0%	\$ -	
1830	Poles, Towers & Fixtures	\$ 3,969,488.63	\$ -	\$ 3,969,488.63	\$ 367,222.68	\$ 4,153,099.97	25.00	4.0%	\$ 166,124.00	
1835	Overhead Conductors & Devices	\$ 8,153,106.88	\$ -	\$ 8,153,106.88	\$ 811,112.38	\$ 8,558,663.07	25.00	4.0%	\$ 342,346.52	
1840	Underground Conduit	\$ 2,042,487.40	\$ -	\$ 2,042,487.40	\$ 104,872.61	\$ 2,094,923.70	25.00	4.0%	\$ 83,796.95	
1845	Underground Conductors & Devices	\$ 3,626,061.10	\$ -	\$ 3,626,061.10	\$ 648,401.29	\$ 3,950,261.75	25.00	4.0%	\$ 158,010.47	
1850	Line Transformers	\$ 5,154,368.08	\$ -	\$ 5,154,368.08	\$ 544,806.18	\$ 5,426,771.17	25.00	4.0%	\$ 217,070.85	
1855	Services (Overhead and Underground)	\$ 2,178,275.85	\$ -	\$ 2,178,275.85	\$ 309,883.66	\$ 2,333,217.68	25.00	4.0%	\$ 93,328.71	
1860	Meters	\$ 2,438,265.03	\$ -	\$ 2,438,265.03	\$ 128,946.36	\$ 2,502,738.21	25.00	4.0%	\$ 100,109.53	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1906	Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1908	Buildings & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1915	Office Furniture & Equipment (10 Years)	\$ 56,550.34	\$ -	\$ 56,550.34	\$ 1,323.00	\$ 57,211.84	10.00	10.0%	\$ 5,721.18	
1915	Office Furniture & Equipment (5 Years)	\$ -	\$ -	\$ -	\$ 5,594.49	\$ 2,797.25	5.00	20.0%	\$ 559.45	
1920	Computer Equipment - Hardware	\$ 71,043.85	\$ -	\$ 71,043.85	\$ 4,868.89	\$ 73,478.30	5.00	20.0%	\$ 14,695.66	
1920	Computer Equip. - Hardware (Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1920	Computer Equip. - Hardware (Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1925	Computer Software	\$ 422,172.02	\$ -	\$ 422,172.02	\$ 143,626.10	\$ 493,985.07	5.00	20.0%	\$ 98,797.01	
1930	Transportation Equipment	\$ 30,177.30	\$ -	\$ 30,177.30	\$ 66,156.00	\$ 63,255.30	8.00	12.5%	\$ 7,906.91	
1935	Stores Equipment	\$ 458.00	\$ -	\$ 458.00	\$ -	\$ 458.00	10.00	10.0%	\$ 45.80	
1940	Tools, Shop & Garage Equipment	\$ 83,136.91	\$ -	\$ 83,136.91	\$ 7,497.00	\$ 86,885.41	10.00	10.0%	\$ 8,688.54	
1945	Measurement & Testing Equipment	\$ 11,007.00	\$ -	\$ 11,007.00	\$ -	\$ 11,007.00	10.00	10.0%	\$ 1,100.70	
1950	Power Operated Equipment	\$ 64,091.00	\$ -	\$ 64,091.00	\$ -	\$ 64,091.00	10.00	10.0%	\$ 6,409.10	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1995	Contributions & Grants	\$ (1,737,917.39)	\$ -	\$ (1,737,917.39)	\$ (688,197.25)	\$ (2,082,016.01)	25.00	4.0%	\$ (83,280.64)	
etc.				\$ -	\$ -	\$ -	-			
				\$ -	\$ -	\$ -	-			
	Total	\$ 27,320,758.49	\$ -	\$ 27,320,758.49	\$ 2,490,833.37	\$ 28,566,175.17			\$ 1,246,849.85	

Notes:

¹ This adjusts for assets still on the books but which have been fully amortized or depreciated.

² Applicable for the standard Board policy of the "half-year" rule, that additions in the year attract a half-year depreciation expense in the first year. Deviations from this standard practice must be supported in the application.

³ Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year approved by the Board. Changes may arise due to the adoption of International Financial Reporting Standards (IFRS) requirements or other reasons.

General: Applicants must provide a breakdown of depreciation and amortization expense in the above format for all relevant accounts. Asset Retirement Obligations (AROs), depreciation and accretion expense should be disclosed separately consistent with the Notes of historical Audited Financial Statements.

Depreciation and Amortization Expense

2009

Account	Description	Opening Balance	Less Fully Depreciated ¹	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Did Depreciation Rate in "g" Change (Yes/No)? ³
		(a)	(b)	(c) = (a) - (b)	(d)	(e) = (c) + ½ x (d) ²	(f)	(g) = 1 / (f)	(h) = (e) / (f)	
1805	Land	\$ 150,428.71	\$ -	\$ 150,428.71	\$ -	\$ 150,428.71	-			
1808	Buildings	\$ 136,009.00	\$ -	\$ 136,009.00	\$ 12,254.12	\$ 142,136.06	25.00	4.0%	\$ 5,685.44	
1810	Leasehold Improvements	\$ 7,040.00	\$ -	\$ 7,040.00	\$ -	\$ 7,040.00	10.00	10.0%	\$ 704.00	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1820	Distribution Station Equipment <50 kV	\$ 499,228.76	\$ -	\$ 499,228.76	\$ -	\$ 499,228.76	25.00	4.0%	\$ 19,969.15	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	25.00	4.0%	\$ -	
1830	Poles, Towers & Fixtures	\$ 4,336,711.31	\$ -	\$ 4,336,711.31	\$ 324,127.28	\$ 4,498,774.95	25.00	4.0%	\$ 179,951.00	
1835	Overhead Conductors & Devices	\$ 8,964,219.26	\$ -	\$ 8,964,219.26	\$ 567,212.44	\$ 9,247,825.48	25.00	4.0%	\$ 369,913.02	
1840	Underground Conduit	\$ 2,147,360.01	\$ -	\$ 2,147,360.01	\$ 65,260.06	\$ 2,179,990.04	25.00	4.0%	\$ 87,199.60	
1845	Underground Conductors & Devices	\$ 4,274,462.39	\$ -	\$ 4,274,462.39	\$ 473,709.55	\$ 4,511,317.17	25.00	4.0%	\$ 180,452.69	
1850	Line Transformers	\$ 5,699,174.26	\$ -	\$ 5,699,174.26	\$ 276,410.89	\$ 5,837,379.71	25.00	4.0%	\$ 233,495.19	
1855	Services (Overhead and Underground)	\$ 2,488,159.51	\$ -	\$ 2,488,159.51	\$ 309,114.37	\$ 2,642,716.70	25.00	4.0%	\$ 105,708.67	
1860	Meters	\$ 2,567,211.39	\$ -	\$ 2,567,211.39	\$ 154,320.70	\$ 2,644,371.74	25.00	4.0%	\$ 105,774.87	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1906	Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1908	Buildings & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1915	Office Furniture & Equipment (10 Years)	\$ 57,873.34	\$ -	\$ 57,873.34	\$ 592.92	\$ 58,169.80	10.00	10.0%	\$ 5,816.98	
1915	Office Furniture & Equipment (5 Years)	\$ 5,594.49	\$ -	\$ 5,594.49	\$ -	\$ 5,594.49	5.00	20.0%	\$ 1,118.90	
1920	Computer Equipment - Hardware	\$ 75,912.74	\$ -	\$ 75,912.74	\$ 4,720.04	\$ 78,272.76	5.00	20.0%	\$ 15,654.55	
1920	Computer Equip. - Hardware (Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1920	Computer Equip. - Hardware (Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1925	Computer Software	\$ 565,798.12	\$ -	\$ 565,798.12	\$ 44,889.92	\$ 588,243.08	5.00	20.0%	\$ 117,648.62	
1930	Transportation Equipment	\$ 96,333.30	\$ -	\$ 96,333.30	\$ 128,093.15	\$ 160,379.88	8.00	12.5%	\$ 20,047.48	
1935	Stores Equipment	\$ 458.00	\$ -	\$ 458.00	\$ 73.32	\$ 494.66	10.00	10.0%	\$ 49.47	
1940	Tools, Shop & Garage Equipment	\$ 90,633.91	\$ -	\$ 90,633.91	\$ 4,252.77	\$ 92,760.30	10.00	10.0%	\$ 9,276.03	
1945	Measurement & Testing Equipment	\$ 11,007.00	\$ -	\$ 11,007.00	\$ 3,399.30	\$ 12,706.65	10.00	10.0%	\$ 1,270.67	
1950	Power Operated Equipment	\$ 64,091.00	\$ -	\$ 64,091.00	\$ -	\$ 64,091.00	10.00	10.0%	\$ 6,409.10	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1995	Contributions & Grants	\$ (2,426,114.64)	\$ -	\$ (2,426,114.64)	\$ (426,196.05)	\$ (2,639,212.66)	25.00	4.0%	\$ (105,568.51)	
etc.		\$ -	\$ -	\$ -	\$ -	\$ -	-			

Notes:

¹ This adjusts for assets still on the books but which have been fully amortized or depreciated.

² Applicable for the standard Board policy of the "half-year" rule, that additions in the year attract a half-year depreciation expense in the first year. Deviations from this standard

³ Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year approved by the Board. Changes may arise due to the adoption of International Financial Reporting Standards (IFRS) requirements or other reasons.

General: Applicants must provide a breakdown of depreciation and amortization expense in the above format for all relevant accounts. Asset Retirement Obligations (AROs), depreciation and accretion expense should be disclosed separately consistent with the Notes of historical Audited Financial Statements.

Appendix 2-M Depreciation and Amortization Expense

Year: 2010

Account	Description	Opening Balance (a)	Less Fully Depreciated ¹ (b)	Net for Depreciation (c) = (a) - (b)	Additions (d)	Total for Depreciation (e) = (c) + ½ x (d) ²	Years (f)	Depreciation Rate (g) = 1 / (f)	Depreciation Expense (h) = (e) / (f)	Did Depreciation Rate in "g" Change (Yes/No)? ³
1805	Land	\$ 150,428.71	\$ -	\$ 150,428.71	\$ 244.36	\$ 150,550.89	-			
1808	Buildings	\$ 148,263.12	\$ -	\$ 148,263.12	\$ 6,292.00	\$ 151,409.12	25.00	4.0%	\$ 6,056.36	
1810	Leasehold Improvements	\$ 7,040.00	\$ -	\$ 7,040.00	\$ -	\$ 7,040.00	10.00	10.0%	\$ 704.00	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1820	Distribution Station Equipment <50 kV	\$ 499,228.76	\$ -	\$ 499,228.76	\$ -	\$ 499,228.76	25.00	4.0%	\$ 19,969.15	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	25.00	4.0%	\$ -	
1830	Poles, Towers & Fixtures	\$ 4,660,838.59	\$ -	\$ 4,660,838.59	\$ 407,253.48	\$ 4,864,465.33	25.00	4.0%	\$ 194,578.61	
1835	Overhead Conductors & Devices	\$ 9,531,431.70	\$ -	\$ 9,531,431.70	\$ 624,037.99	\$ 9,843,450.70	25.00	4.0%	\$ 393,738.03	
1840	Underground Conduit	\$ 2,212,620.07	\$ -	\$ 2,212,620.07	\$ 70,161.17	\$ 2,247,700.65	25.00	4.0%	\$ 89,908.03	
1845	Underground Conductors & Devices	\$ 4,748,171.94	\$ -	\$ 4,748,171.94	\$ 163,645.64	\$ 4,829,994.76	25.00	4.0%	\$ 193,199.79	
1850	Line Transformers	\$ 5,975,585.15	\$ -	\$ 5,975,585.15	\$ 477,753.07	\$ 6,214,461.69	25.00	4.0%	\$ 248,578.47	
1855	Services (Overhead and Underground)	\$ 2,797,273.88	\$ -	\$ 2,797,273.88	\$ 239,938.60	\$ 2,917,243.18	25.00	4.0%	\$ 116,689.73	
1860	Meters	\$ 2,721,532.09	\$ -	\$ 2,721,532.09	\$ 103,209.39	\$ 2,773,136.78	25.00	4.0%	\$ 110,925.47	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1906	Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1908	Buildings & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1915	Office Furniture & Equipment (10 Years)	\$ 58,466.26	\$ -	\$ 58,466.26	\$ 8,920.84	\$ 62,926.68	10.00	10.0%	\$ 6,292.67	
1915	Office Furniture & Equipment (5 Years)	\$ 5,594.49	\$ -	\$ 5,594.49	\$ -	\$ 5,594.49	5.00	20.0%	\$ 1,118.90	
1920	Computer Equipment - Hardware	\$ 80,632.78	\$ -	\$ 80,632.78	\$ 2,564.35	\$ 81,914.96	5.00	20.0%	\$ 16,382.99	
1920	Computer Equip. - Hardware (Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1920	Computer Equip. - Hardware (Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1925	Computer Software	\$ 610,688.04	\$ -	\$ 610,688.04	\$ 61,396.19	\$ 641,386.14	5.00	20.0%	\$ 128,277.23	
1930	Transportation Equipment	\$ 224,426.45	\$ -	\$ 224,426.45	\$ 1,871,335.44	\$ 1,160,094.17	8.00	12.5%	\$ 145,011.77	
1935	Stores Equipment	\$ 531.32	\$ -	\$ 531.32	\$ 723.10	\$ 892.87	10.00	10.0%	\$ 89.29	
1940	Tools, Shop & Garage Equipment	\$ 94,886.68	\$ -	\$ 94,886.68	\$ 23,621.63	\$ 106,697.50	10.00	10.0%	\$ 10,669.75	
1945	Measurement & Testing Equipment	\$ 14,406.30	\$ -	\$ 14,406.30	\$ -	\$ 14,406.30	10.00	10.0%	\$ 1,440.63	
1950	Power Operated Equipment	\$ 64,091.00	\$ -	\$ 64,091.00	\$ -	\$ 64,091.00	10.00	10.0%	\$ 6,409.10	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1995	Contributions & Grants	\$ (2,852,310.69)	\$ -	\$ (2,852,310.69)	\$ (443,482.11)	\$ (3,074,051.74)	25.00	4.0%	\$ (122,962.07)	
etc.		\$ -	\$ -	\$ -	\$ -	\$ -	-			
		\$ -	\$ -	\$ -	\$ -	\$ -	-			
	Total	\$ 31,753,826.64	\$ -	\$ 31,753,826.64	\$ 3,617,615.14	\$ 33,562,634.21			\$ 1,567,077.89	

Notes:¹ This adjusts for assets still on the books but which have been fully amortized or depreciated.² Applicable for the standard Board policy of the "half-year" rule, that additions in the year attract a half-year depreciation expense in the first year. Deviations from this standard³ Applicants must indicate YES or NO as to whether the "Depreciation Rate" for the asset in column "g" has changed from the last rebasing year approved by the Board. Changes may arise due to the adoption of International Financial Reporting Standards (IFRS) requirements or other reasons.

General: Applicants must provide a breakdown of depreciation and amortization expense in the above format for all relevant accounts. Asset Retirement Obligations (AROs), depreciation and accretion expense should be disclosed separately consistent with the Notes of historical Audited Financial Statements.

Appendix 2-M

Depreciation and Amortization Expense

Year: 2011

Account	Description	Opening Balance	Less Fully Depreciated ¹	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Did Depreciation Rate in "g" Change (Yes/No)? ³
		(a)	(b)	(c) = (a) - (b)	(d)	(e) = (c) + ½ x (d) ²	(f)	(g) = 1 / (f)	(h) = (e) / (f)	
1805	Land	\$ 150,673.07	\$ -	\$ 150,673.07	\$ 8,270.89	\$ 154,808.52	-			
1808	Buildings	\$ 154,555.12	\$ -	\$ 154,555.12	\$ 20,326.58	\$ 164,718.41	25.00	4.0%	\$ 6,588.74	
1810	Leasehold Improvements	\$ 7,040.00	\$ -	\$ 7,040.00	\$ -	\$ 7,040.00	10.00	10.0%	\$ 704.00	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1820	Distribution Station Equipment <50 kV	\$ 499,228.76	\$ -	\$ 499,228.76	\$ -	\$ 499,228.76	25.00	4.0%	\$ 19,969.15	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	25.00	4.0%	\$ -	
1830	Poles, Towers & Fixtures	\$ 5,068,092.07	\$ -	\$ 5,068,092.07	\$ 350,281.34	\$ 5,243,232.74	25.00	4.0%	\$ 209,729.31	
1835	Overhead Conductors & Devices	\$ 10,155,469.69	\$ -	\$ 10,155,469.69	\$ 335,000.42	\$ 10,322,969.90	25.00	4.0%	\$ 412,918.80	
1840	Underground Conduit	\$ 2,282,781.24	\$ -	\$ 2,282,781.24	\$ 50,266.89	\$ 2,307,914.68	25.00	4.0%	\$ 92,316.59	
1845	Underground Conductors & Devices	\$ 4,911,817.58	\$ -	\$ 4,911,817.58	\$ 256,072.04	\$ 5,039,853.60	25.00	4.0%	\$ 201,594.14	
1850	Line Transformers	\$ 6,453,338.22	\$ -	\$ 6,453,338.22	\$ 693,252.12	\$ 6,799,964.28	25.00	4.0%	\$ 271,998.57	
1855	Services (Overhead and Underground)	\$ 3,037,212.48	\$ -	\$ 3,037,212.48	\$ 267,697.83	\$ 3,171,061.40	25.00	4.0%	\$ 126,842.46	
1860	Meters	\$ 2,824,741.48	\$ -	\$ 2,824,741.48	\$ 78,815.14	\$ 2,864,149.05	25.00	4.0%	\$ 114,565.96	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1906	Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1908	Buildings & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ 154,460.94	\$ 77,230.47	-			
1915	Office Furniture & Equipment (10 Years)	\$ 67,387.10	\$ -	\$ 67,387.10	\$ 2,404.46	\$ 68,589.33	10.00	10.0%	\$ 6,858.93	
1915	Office Furniture & Equipment (5 Years)	\$ 5,594.49	\$ -	\$ 5,594.49	\$ -	\$ 5,594.49	5.00	20.0%	\$ 1,118.90	
1920	Computer Equipment - Hardware	\$ 83,197.13	\$ -	\$ 83,197.13	\$ 10,807.44	\$ 86,600.85	5.00	20.0%	\$ 17,720.17	
1920	Computer Equip. - Hardware (Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1920	Computer Equip. - Hardware (Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1925	Computer Software	\$ 672,084.23	\$ -	\$ 672,084.23	\$ 19,606.90	\$ 681,887.68	5.00	20.0%	\$ 136,377.54	
1930	Transportation Equipment	\$ 2,095,761.89	\$ -	\$ 2,095,761.89	\$ 596,684.96	\$ 2,394,104.37	8.00	12.5%	\$ 299,263.05	
1935	Stores Equipment	\$ 1,254.42	\$ -	\$ 1,254.42	\$ -	\$ 1,254.42	10.00	10.0%	\$ 125.44	
1940	Tools, Shop & Garage Equipment	\$ 118,508.31	\$ -	\$ 118,508.31	\$ 35,356.44	\$ 136,186.53	10.00	10.0%	\$ 13,618.65	
1945	Measurement & Testing Equipment	\$ 14,406.30	\$ -	\$ 14,406.30	\$ 56.00	\$ 14,434.30	10.00	10.0%	\$ 1,443.43	
1950	Power Operated Equipment	\$ 64,091.00	\$ -	\$ 64,091.00	\$ -	\$ 64,091.00	10.00	10.0%	\$ 6,409.10	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1995	Contributions & Grants	\$ (3,295,792.80)	\$ -	\$ (3,295,792.80)	\$ (445,442.65)	\$ (3,518,514.12)	25.00	4.0%	\$ (140,740.56)	
etc.				\$ -	\$ -	\$ -	-			
				\$ -	\$ -	\$ -	-			
	Total	\$ 35,371,441.78	\$ -	\$ 35,371,441.78	\$ 2,433,917.74	\$ 36,588,400.65			\$ 1,799,422.36	

Notes:

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Appendix 2-M Depreciation and Amortization Expense

Year: 2012

Account	Description	Opening Balance (a)	Less Fully Depreciated ¹ (b)	Net for Depreciation (c) = (a) - (b)	Additions (d)	Total for Depreciation (e) = (c) + ½ x (d) ²	Years (f)	Depreciation Rate (g) = 1 / (f)	Depreciation Expense (h) = (e) / (f)	Did Depreciation Rate in "g" Change (Yes/No)? ³
1805	Land	\$ 158,943.96	\$ -	\$ 158,943.96	\$ -	\$ 158,943.96	-			
1808	Buildings	\$ 174,881.70	\$ -	\$ 174,881.70	\$ -	\$ 174,881.70	25.00	4.0%	\$ 6,995.27	
1810	Leasehold Improvements	\$ 7,040.00	\$ -	\$ 7,040.00	\$ -	\$ 7,040.00	10.00	10.0%	\$ 704.00	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1820	Distribution Station Equipment <50 kV	\$ 499,228.76	\$ -	\$ 499,228.76	\$ -	\$ 499,228.76	25.00	4.0%	\$ 19,969.15	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	25.00	4.0%	\$ -	
1830	Poles, Towers & Fixtures	\$ 5,418,373.41	\$ -	\$ 5,418,373.41	\$ 733,000.00	\$ 5,784,873.41	25.00	4.0%	\$ 231,394.94	
1835	Overhead Conductors & Devices	\$ 10,490,470.11	\$ -	\$ 10,490,470.11	\$ 505,000.00	\$ 10,742,970.11	25.00	4.0%	\$ 429,718.80	
1840	Underground Conduit	\$ 2,333,048.13	\$ -	\$ 2,333,048.13	\$ 281,000.00	\$ 2,473,548.13	25.00	4.0%	\$ 98,941.93	
1845	Underground Conductors & Devices	\$ 5,167,889.62	\$ -	\$ 5,167,889.62	\$ 180,000.00	\$ 5,257,889.62	25.00	4.0%	\$ 210,315.58	
1850	Line Transformers	\$ 7,146,590.34	\$ -	\$ 7,146,590.34	\$ 482,000.00	\$ 7,387,590.34	25.00	4.0%	\$ 295,503.61	
1855	Services (Overhead and Underground)	\$ 3,304,910.31	\$ -	\$ 3,304,910.31	\$ 374,000.00	\$ 3,491,910.31	25.00	4.0%	\$ 139,676.41	
1860	Meters	\$ 2,903,556.62	\$ -	\$ 2,903,556.62	\$ 70,000.00	\$ 2,938,556.62	25.00	4.0%	\$ 117,542.26	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1906	Land Rights	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1908	Buildings & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1910	Leasehold Improvements	\$ 154,460.94	\$ -	\$ 154,460.94	\$ 60,000.00	\$ 184,460.94	-			
1915	Office Furniture & Equipment (10 Years)	\$ 69,791.56	\$ -	\$ 69,791.56	\$ -	\$ 69,791.56	10.00	10.0%	\$ 6,979.16	
1915	Office Furniture & Equipment (5 Years)	\$ 5,594.49	\$ -	\$ 5,594.49	\$ -	\$ 5,594.49	5.00	20.0%	\$ 1,118.90	
1920	Computer Equipment - Hardware	\$ 94,004.57	\$ -	\$ 94,004.57	\$ 25,000.00	\$ 106,504.57	5.00	20.0%	\$ 21,300.91	
1920	Computer Equip. - Hardware (Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1920	Computer Equip. - Hardware (Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1925	Computer Software	\$ 691,691.13	\$ -	\$ 691,691.13	\$ -	\$ 691,691.13	5.00	20.0%	\$ 138,338.23	
1930	Transportation Equipment	\$ 2,692,446.85	\$ -	\$ 2,692,446.85	\$ 380,000.00	\$ 2,882,446.85	8.00	12.5%	\$ 360,305.86	
1935	Stores Equipment	\$ 1,254.42	\$ -	\$ 1,254.42	\$ -	\$ 1,254.42	10.00	10.0%	\$ 125.44	
1940	Tools, Shop & Garage Equipment	\$ 153,864.75	\$ -	\$ 153,864.75	\$ 35,000.00	\$ 171,364.75	10.00	10.0%	\$ 17,136.48	
1945	Measurement & Testing Equipment	\$ 14,462.30	\$ -	\$ 14,462.30	\$ -	\$ 14,462.30	10.00	10.0%	\$ 1,446.23	
1950	Power Operated Equipment	\$ 64,091.00	\$ -	\$ 64,091.00	\$ -	\$ 64,091.00	10.00	10.0%	\$ 6,409.10	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 200,000.00	\$ 100,000.00	-			
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-			
1995	Contributions & Grants	\$ (3,741,235.45)	\$ -	\$ (3,741,235.45)	\$ (485,000.00)	\$ (3,983,735.45)	25.00	4.0%	\$ (159,349.42)	
etc.		\$ -	\$ -	\$ -	\$ -	\$ -	-			
		\$ -	\$ -	\$ -	\$ -	\$ -	-			
	Total	\$ 37,805,359.52	\$ -	\$ 37,805,359.52	\$ 2,840,000.00	\$ 39,225,359.52			\$ 1,944,572.84	

Notes:

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INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY

- You have to complete this return to allow your transmitter to electronically file your corporation income tax return to us at the Canada Revenue Agency. You have to complete this return for each tax year.
- By completing part B and signing part C, you acknowledge that, under the *Income Tax Act*, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part D must be completed by either you or the electronic transmitter of your corporation income tax return.
- Give the signed original of this return to the transmitter and keep a copy for yourself. Under the Act, you have to keep your copy for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

This return is for your records. Do not send it to us unless we ask for it.

Part A – Identification

Name of corporation Erie Thames Powerlines Corporation			
Business Number 86371 9498 RC0002	Tax year ▶	From Y M D 2011-06-01	To Y M D 2011-12-31

Part B – Declaration

Enter the following amounts, if applicable, from your corporation income tax return for the tax year noted above:

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIF1 (line 300)	1,011,594
Part I tax payable (line 700)	
Part II surtax payable (line 708)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	
Provincial tax on large corporations (line 765)	

Part C – Certification and authorization

I, PETTIT	JEFF	PRESIDENT
Last name in block letters	First name in block letters	Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined the corporation T2 income tax return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part D to electronically file the corporation income tax return identified in Part A. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

2012-07-03		(519) 518-6117
Date (yyyy/mm/dd)	Signature of an authorized signing officer of the corporation	Telephone number

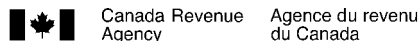
Part D – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part A.

Name of person or firm KPMG LLP	Electronic filer number
------------------------------------	-------------------------

Privacy Act, Personal Information Bank number CRA PPU 047





T2 CORPORATION INCOME TAX RETURN

200

EXEMPT FROM TAX

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see www.cra.gc.ca or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

Identification

Business Number (BN) **001** 86371 9498 RC0002

Corporation's name

002 Erie Thames Powerlines Corporation

Address of head office

Has this address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 011 to 018.)

011 143 Bell Street

012 PO Box 157

City Province, territory, or state

015 Ingersoll **016** ON

Country (other than Canada) Postal code/Zip code

017 **018** N5C 3K5

Mailing address (if different from head office address)

Has this address changed since the last time we were notified? **020** 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 021 to 028.)

021 c/o

022

023

City Province, territory, or state

025 **026**

Country (other than Canada) Postal code/Zip code

027 **028**

Location of books and records

Has the location of books and records changed since the last time we were notified? **030** 1 Yes ☒ 2 No ☐

(If **yes**, complete lines 031 to 038.)

031 143 Bell Street

032 PO Box 157

City Province, territory, or state

035 Ingersoll **036** ON

Country (other than Canada) Postal code/Zip code

037 **038** N5C 3K5

040 Type of corporation at the end of the tax year

1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation

2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)

3 ☐ Public corporation

If the type of corporation changed during the tax year, provide the effective date of the change.

043 YYYY MM DD

To which tax year does this return apply?

Tax year start Tax year-end
060 2011-06-01 **061** 2011-12-31
YYYY MM DD YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? **063** 1 Yes ☐ 2 No ☒

If **yes**, provide the date control was acquired **065** YYYY MM DD

Is the date on line 061 a deemed tax year-end according to:

subparagraph 88(2)(a)(iv)? **064** 1 Yes ☐ 2 No ☒

subsection 249(3.1)? **066** 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? **067** 1 Yes ☐ 2 No ☒

Is this the first year of filing after:
Incorporation? **070** 1 Yes ☐ 2 No ☒
Amalgamation? **071** 1 Yes ☒ 2 No ☐

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? **072** 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? **076** 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? **078** 1 Yes ☐ 2 No ☒

If an election was made under section 261, state the functional currency used **079**

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If **no**, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? **082** 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085 1 ☐ Exempt under paragraph 149(1)(e) or (l)
2 ☐ Exempt under paragraph 149(1)(j)
3 ☐ Exempt under paragraph 149(1)(t)
4 ☒ Exempt under other paragraphs of section 149

Do not use this area

095

096

Attachments

Financial statement information: Use GIFL schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	<input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Has the corporation had any non-arm's length transactions with a non-resident?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or	<input type="checkbox"/>	
ii) does the corporation have aggregate investment income at line 440?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input checked="" type="checkbox"/>	
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input checked="" type="checkbox"/>	
Is the corporation claiming a surtax credit?	<input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256 <input type="checkbox"/>	T1134-A
Did the corporation have any controlled foreign affiliates?	258 <input type="checkbox"/>	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259 <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260 <input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261 <input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262 <input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263 <input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264 <input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265 <input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266 <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267 <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268 <input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269 <input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? **270** 1 Yes ☐ 2 No ☒

Is the corporation inactive? **280** 1 Yes ☐ 2 No ☒

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution US

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284 <u>Distribution of Electricity</u>	285 <u>100.000</u> %
286 _____	287 _____ %
288 _____	289 _____ %

Did the corporation immigrate to Canada during the tax year? **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the tax year? **292** 1 Yes ☐ 2 No ☒

Do you want to be considered as a quarterly instalment remitter if you are eligible? **293** 1 Yes ☐ 2 No ☐

If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible **294** _____

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? **295** 1 Yes ☐ 2 No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL. **300** 1,011,594 A

Deduct:

Charitable donations from Schedule 2	311 _____
Gifts to Canada, a province, or a territory from Schedule 2	312 _____
Cultural gifts from Schedule 2	313 _____
Ecological gifts from Schedule 2	314 _____
Gifts of medicine from Schedule 2	315 _____
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320 _____
Part VI.1 tax deduction*	325 _____
Non-capital losses of previous tax years from Schedule 4	331 <u>1,011,594</u>
Net capital losses of previous tax years from Schedule 4	332 _____
Restricted farm losses of previous tax years from Schedule 4	333 _____
Farm losses of previous tax years from Schedule 4	334 _____
Limited partnership losses of previous tax years from Schedule 4	335 _____
Taxable capital gains or taxable dividends allocated from a central credit union	340 _____
Prospector's and grubstaker's shares	350 _____
Subtotal	<u>1,011,594</u> ► <u>1,011,594</u> B
Subtotal (amount A minus amount B) (if negative, enter "0")	_____ C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355 _____ D
Taxable income (amount C plus amount D)	360 _____
Income exempt under paragraph 149(1)(t)	370 _____
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)	_____ Z

* This amount is equal to 3.2 times the Part VI.1 tax payable at line 724 on page 8. Use 3.5 for tax years ending after 2011.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7	400	1,011,594	A
Taxable income from line 360 on page 3, minus 100/28* 3.4012 of the amount on line 632** on page 7, minus 1/(0.38 - X***) 3.77358 times the amount on line 636**** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410		C

Notes:

- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C	x	415 *****	54,384	D	=		E
			11,250				
Reduced business limit (amount C minus amount E) (if negative, enter "0")						425	F

Small business deduction

Amount A, B, C, or F, whichever is the least	x	17 %	=		430	G
--	---	------	---	--	-----	---

Enter amount G on line 1 on page 7.

* 10/3 for tax years ending before November 1, 2011. The result of the multiplication by line 632 has to be pro-rated based on the number of days in the tax year that are in each period: before November 1, 2011, and after October 31, 2011.

** Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

*** General rate reduction percentage for the tax year. It has to be pro-rated based on the number of days in the tax year that are in each calendar year. See page 5.

**** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (Total taxable capital employed in Canada for the **prior year** minus \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (Total taxable capital employed in Canada for the **current year** minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income **440** x 26 2 / 3 % = A
from Schedule 7

Foreign non-business income tax credit from line 632 on page 7

Deduct:

Foreign investment income **445** x 9 1 / 3 % = B
from Schedule 7 (if negative, enter "0")

Amount A minus amount B (if negative, enter "0") C

Taxable income from line 360 on page 3

Deduct:

Amount from line 400, 405, 410, or 425 on page 4,
whichever is the least

Foreign non-business income tax credit from line 632 on page 7 x $\frac{25}{9^*}$ =

Foreign business income tax credit from line 636 on page 7 x $1(0.38 - X^{**})$ =

. x 26 2 / 3 % = D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least **450** F

* 100/35 for tax years beginning after October 31, 2011.

** General rate reduction percentage for the tax year. It has to be pro-rated.

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year **460** 533

Deduct: Dividend refund for the previous tax year **465**

. 533 ▶ 533 G

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from Schedule 3

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation **480**

. ▶ H

Refundable dividend tax on hand at the end of the tax year – Amount G plus amount H **485** 533

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 x 1 / 3 I

Refundable dividend tax on hand at the end of the tax year from line 485 above 533 J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 on page 8)

Part I tax

Base amount of Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %	550	A
Recapture of investment tax credit from Schedule 31	602	B
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)		
Aggregate investment income from line 440 on page 6		i
Taxable income from line 360 on page 3		
Deduct:		
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least		
Net amount		ii
Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii	604	C
Subtotal (add lines A to C)		D
Deduct:		
Small business deduction from line 430 on page 4		1
Federal tax abatement	608	
Manufacturing and processing profits deduction from Schedule 27	616	
Investment corporation deduction	620	
Taxed capital gains 624		
Additional deduction – credit unions from Schedule 17	628	
Federal foreign non-business income tax credit from Schedule 21	632	
Federal foreign business income tax credit from Schedule 21	636	
General tax reduction for CCPCs from amount N on page 5	638	
General tax reduction from amount Z on page 5	639	
Federal logging tax credit from Schedule 21	640	
Federal qualifying environmental trust tax credit	648	
Investment tax credit from Schedule 31	652	
Subtotal		E
Part I tax payable – Line D minus line E		F
Enter amount F on line 700 on page 8.		

Summary of tax and credits

Federal tax

Part I tax payable from page 7

Part II surtax payable from Schedule 46

Part III.1 tax payable from Schedule 55

Part IV tax payable from Schedule 3

Part IV.1 tax payable from Schedule 43

Part VI tax payable from Schedule 38

Part VI.1 tax payable from Schedule 43

Part XIII.1 tax payable from Schedule 92

Part XIV tax payable from Schedule 20

700

708

710

712

716

720

724

727

728

Total federal tax

Add provincial or territorial tax:

Provincial or territorial jurisdiction

750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)

760

Provincial tax on large corporations (Nova Scotia Schedule 342)

765

Total tax payable

770

A

Deduct other credits:

Investment tax credit refund from Schedule 31

Dividend refund from page 6

Federal capital gains refund from Schedule 18

Federal qualifying environmental trust tax credit refund

Canadian film or video production tax credit refund (Form T1131)

Film or video production services tax credit refund (Form T1177)

Tax withheld at source

Total payments on which tax has been withheld

801

Provincial and territorial capital gains refund from Schedule 18

Provincial and territorial refundable tax credits from Schedule 5

Tax instalments paid

808

812

840

146,400

Total credits

890

146,400

146,400

B

Refund code

894

1

Overpayment

146,400

Balance (line A minus line B)

-146,400

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

Start

Change information

910

Branch number

914

918

Institution number

Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?

896

1 Yes

2 No

X

If the result is negative, you have an overpayment.
If the result is positive, you have a balance unpaid.
Enter the amount on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

Enclosed payment

898

Certification

I, 950 PETTIT

951 JEFF

954 PRESIDENT

Last name in block letters

First name in block letters

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955

2012-07-03

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956

(519) 518-6117

Telephone number

Is the contact person the same as the authorized signing officer? If no, complete the information below

957

1 Yes

2 No

X

958

MR JOHN SKEOCH

Name in block letters

959

(519) 518-6117

Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French.
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

990

1

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	10,394,404	8,474,035
	Total tangible capital assets	2008 +	36,872,862	18,548,964
	Total accumulated amortization of tangible capital assets	2009 –	13,424,478	
	Total intangible capital assets	2178 +	100,000	100,000
	Total accumulated amortization of intangible capital assets	2179 –	23,333	23,333
	Total long-term assets	2589 +	4,699,498	3,811,910
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	<u>38,618,953</u>	<u>30,911,576</u>

Liabilities				
	Total current liabilities	3139 +	16,657,859	12,982,875
	Total long-term liabilities	3450 +	10,856,691	9,315,522
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	<u>27,514,550</u>	<u>22,298,397</u>

Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	11,104,403	8,613,179

	Total liabilities and shareholder equity	3640 =	<u>38,618,953</u>	<u>30,911,576</u>
--	---	---------------	-------------------	-------------------

Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	<u>248,818</u>	<u>574,655</u>

* Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

Income statement information

Description	GIFI
Operating name	0001
Description of the operation	0002
Sequence number	0003 01

Account	Description	GIFI	Current year	Prior year
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Income statement information

Total sales of goods and services	8089 +	32,910,517	39,293,536
Cost of sales	8518 -	27,643,804	33,038,373
Gross profit/loss	8519 =	5,266,713	6,255,163
Cost of sales	8518 +	27,643,804	33,038,373
Total operating expenses	9367 +	4,889,124	6,314,339
Total expenses (mandatory field)	9368 =	32,532,928	39,352,712
Total revenue (mandatory field)	8299 +	33,677,912	40,066,831
Total expenses (mandatory field)	9368 -	32,532,928	39,352,712
Net non-farming income	9369 =	1,144,984	714,119

Farming income statement information

Total farm revenue (mandatory field)	9659 +		
Total farm expenses (mandatory field)	9898 -		
Net farm income	9899 =		

Net income/loss before taxes and extraordinary items	9970 =	1,144,984	714,119
---	---------------	-----------	---------

Total other comprehensive income	9998 =		
---	---------------	--	--

Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975 -		
Legal settlements	9976 -		
Unrealized gains/losses	9980 +		
Unusual items	9985 -		
Current income taxes	9990 -		187,000
Future (deferred) income tax provision	9995 -		
Total – Other comprehensive income	9998 +		
Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	1,144,984	527,119

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

NOTES CHECKLIST

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the "accountant") who prepared or reported on the financial statements.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and Guide T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? **095** 1 Yes ☒ 2 No ☐

Is the accountant connected* with the corporation? **097** 1 Yes ☐ 2 No ☒

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note: If the accountant does not have a professional designation **or** is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4, as applicable.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report 1 ☐

Completed a review engagement report 2 ☐

Conducted a compilation engagement 3 ☒

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? **099** 1 Yes ☐ 2 No ☐

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:

110

Prepared the tax return (financial statements prepared by client) 1 ☐

Prepared the tax return and the financial information contained therein (financial statements have not been prepared) 2 ☐

Were notes to the financial statements prepared? **101** 1 Yes ☒ 2 No ☐

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? **104** 1 Yes ☒ 2 No ☐

Is re-evaluation of asset information mentioned in the notes? **105** 1 Yes ☐ 2 No ☒

Is contingent liability information mentioned in the notes? **106** 1 Yes ☒ 2 No ☐

Is information regarding commitments mentioned in the notes? **107** 1 Yes ☒ 2 No ☐

Does the corporation have investments in joint venture(s) or partnership(s)? **108** 1 Yes ☐ 2 No ☒

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year?

200 1 Yes ☐ 2 No ☒

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year?

250 1 Yes ☐ 2 No ☒

Did the corporation apply hedge accounting during the tax year?

255 1 Yes ☐ 2 No ☒

Did the corporation discontinue hedge accounting during the tax year?

260 1 Yes ☐ 2 No ☒

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year?

265 1 Yes ☐ 2 No ☒

If **yes**, you have to maintain a separate reconciliation.

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 *Corporation Income Tax Guide*.
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Amount calculated on line 9999 from Schedule 125 1,144,984 A

Add:

Amortization of tangible assets	104	821,791	
Non-deductible meals and entertainment expenses	121	3,647	
Non-deductible life insurance premiums	123	1,655	
Subtotal of additions		827,093	827,093

Other additions:

Miscellaneous other additions:

600 Capital lease interest	290	17,738	
604 Post retirement - accrual 2011		551,600	
Smart meter recovery for tax purposes		314,511	
Payment of Lawsuit		90,737	
Total		956,848	
Subtotal of other additions	199	974,586	974,586
Total additions	500	1,801,679	1,801,679

Deduct:

Gain on disposal of assets per financial statements	401	15,736	
Capital cost allowance from Schedule 8	403	1,182,185	
Cumulative eligible capital deduction from Schedule 10	405	13,383	
Subtotal of deductions		1,211,304	1,211,304

Other deductions:

Miscellaneous other deductions:

700 Post retirement - accrual 2010	390	514,103	
701 Smart meter expense for tax purposes	391	68,586	
703 Settlement of late charges		19,414	
Total		19,414	
704 Capital lease payments		121,662	
Total		121,662	
Subtotal of other deductions	394	723,765	723,765
Total deductions	510	1,935,069	1,935,069

Net income (loss) for income tax purposes – enter on line 300 of the T2 return 1,011,594



CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time. Also, no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the Act.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes 1,011,594 **A**

Deduct: (increase a loss)

Net capital losses deducted in the year (enter as a positive amount) **a**
 Taxable dividends deductible under sections 112, 113(1), or subsection 138(6) **b**
 Amount of Part VI.1 tax deductible **c**
 Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2) **d**
 Subtotal (total of amounts a to d) **B**
 Subtotal (amount A **minus** amount B; if positive, enter "0") **C**

Deduct: (increase a loss)

Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions **D**
 Subtotal (amount C **minus** amount D) **E**

Add: (decrease a loss)

Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss. Enter amount F on line 310) **F**
 Current-year non-capital loss (amount E **plus** amount F; if positive, enter "0"; if negative, enter amount G on line 110 as a positive) **G**

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year 146,893 **e**
Deduct: Non-capital loss expired* **100** **f**
 Non-capital losses at the beginning of the tax year (amount e **minus** amount f) **102** 146,893 **H**
Add:
 Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation **105** 1,469,412 **g**
 Current-year non-capital loss (amount G above) **110** **h**
 Subtotal (amount g **plus** amount h) 1,469,412 **I**
 Subtotal (amount H **plus** amount I) 1,616,305 **J**

* A non-capital loss expires as follows:

- after **7** tax years if it arose in a tax year ending before March 23, 2004;
- after **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:

- after **7** tax years if it arose in a tax year ending before March 23, 2004; and
- after **10** tax years if it arose in a tax year ending after March 22, 2004.

Part 1 – Non-capital losses (continued)

Amount J from page 1 1,616,305

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	150	i
Section 80 – Adjustments for forgiven amounts	140	j
Subsection 111(10) – Adjustments for fuel tax rebate		j.1
Non-capital losses of previous tax years applied in the current tax year (enter on line 331 of the T2 Return)	130	1,011,594 k
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax (enter on lines 330 and 335 of Schedule 3, <i>Dividends Received</i> , <i>Taxable Dividends Paid</i> , and <i>Part IV Tax Calculation</i> , respectively)	135	l
Subtotal (total of amounts i to l)	<u>1,011,594</u>	<u>1,011,594</u> K
Non-capital losses before any request for a carryback (amount J minus amount K)		<u>604,711</u> L

Deduct – Request to carry back non-capital loss to:

First previous tax year to reduce taxable income	901	m
Second previous tax year to reduce taxable income	902	n
Third previous tax year to reduce taxable income	903	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	r
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)		<u>M</u>
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)	180	<u>604,711</u> N

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	200	a
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation	205	b
Subtotal (amount a plus amount b)		<u>A</u>

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	250	c
Section 80 – Adjustments for forgiven amounts	240	d
Subtotal (amount c plus amount d)		<u>B</u>
Subtotal (amount A minus amount B)		<u>C</u>

Add: Current-year capital loss (from the calculation on Schedule 6)	210	D
Unused non-capital losses that expired in the tax year*		e
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**		f
Enter amount e or f, whichever is less	215	
ABILs expired as non-capital loss: line 215 divided by 0.500000	220	E
Subtotal (total of amounts C to E)		<u>F</u>

Note

If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total on line 220 above.

* If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax year. If the losses were incurred in a tax year ending after March 22, 2004, and before 2006, enter the losses from the 11th previous tax year. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line e.

** If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax year. If the losses were incurred in a tax year ending after March 22, 2004, enter the losses from the 11th previous tax year. Enter the full amount on line f.

Part 2 – Capital losses (continued)

		Amount F from page 2	_____	
Deduct: Capital losses from previous tax years applied against the current-year net capital gain (see Note 1)	_____	225	_____	G
Capital losses before any request for a carryback (amount F minus amount G)		_____	_____	H
Deduct – Request to carry back capital loss to (see Note 2):				
	Capital gain (100%)		Amount carried back (100%)	
First previous tax year	_____	951	_____	g
Second previous tax year	4,000	952	_____	h
Third previous tax year	_____	953	_____	i
Subtotal (total of amounts g to i)		_____	_____	I
Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I)		280	_____	J

Note 1

To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the purpose of current-year tax, enter the amount from line 225 **multiplied** by 50% on line 332 of the T2 return.

Note 2

On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, **multiply** this amount by the 50% inclusion rate.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year	_____	a	
Deduct: Farm loss expired*	300	b	
Farm losses at the beginning of the tax year (amount a minus amount b)	302	_____	A
Add:			
Farm losses transferred on the amalgamation or the windup of a subsidiary corporation	305	c	
Current-year farm loss	310	d	
Subtotal (amount c plus amount d)	_____	_____	B
Subtotal (amount A plus amount B)		_____	C
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	350	e	
Section 80 – Adjustments for forgiven amounts	340	f	
Farm losses of previous tax years applied in the current tax year (enter on line 334 of the T2 Return)	330	g	
Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (enter on lines 340 and 345 of Schedule 3, <i>Dividends Received</i> , <i>Taxable Dividends Paid</i> , and <i>Part IV Tax Calculation</i> , respectively)	335	h	
Subtotal (total of amounts e to h)	_____	_____	D
Farm losses before any request for a carryback (amount C minus amount D)		_____	E
Deduct – Request to carry back farm loss to:			
First previous tax year to reduce taxable income	921	i	
Second previous tax year to reduce taxable income	922	j	
Third previous tax year to reduce taxable income	923	k	
First previous tax year to reduce taxable dividends subject to Part IV tax	931	l	
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	m	
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	n	
Subtotal (total of amounts i to n)	_____	_____	F
Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F)		380	G

* A farm loss expires as follows:

- after **10** tax years if it arose in a tax year ending before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business **485** A

Minus the deductible farm loss:

(amount A above – \$2,500) **divided** by 2 = a

Amount a or \$ 6,250 , whichever is less **2,500** b

Subtotal (amount b **plus** amount c) **2,500** c

Subtotal (amount b **plus** amount c) **2,500** B

Current-year restricted farm loss (amount A **minus** amount B; enter amount C on line 410) C

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year d

Deduct: Restricted farm loss expired* **400** e

Restricted farm losses at the beginning of the tax year (amount d **minus** amount e) **402** D

Add:

Restricted farm losses transferred on the amalgamation or the wind-up
of a subsidiary corporation **405** f

Current-year restricted farm loss (enter on line 233 of Schedule 1) **410** g

Subtotal (amount f **plus** amount g) E

Subtotal (amount D **plus** amount E) F

Deduct:

Restricted farm losses from previous tax years applied against current farming income
(enter on line 333 of the T2 Return) **430** h

Section 80 – Adjustments for forgiven amounts **440** i

Other adjustments **450** j

Subtotal (total of amounts h to j) G

Restricted farm losses before any request for a carryback (amount F **minus** amount G) H

Deduct – Request to carry back restricted farm loss to:

First previous tax year to reduce farming income **941** k

Second previous tax year to reduce farming income **942** l

Third previous tax year to reduce farming income **943** m

Subtotal (total of amounts k to m) I

Closing balance of restricted farm losses to be carried forward to future tax years (amount H **minus** amount I) **480** J

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

* A restricted farm loss expires as follows:

- after **10** tax years if it arose in a tax year ending before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

Part 5 – Listed personal property losses

Continuité des pertes sur des biens meubles déterminés et demande de report rétrospectif

Listed personal property losses at the end of the previous tax year	.....	a	
Deduct: Listed personal property loss expired after seven tax years	.....	500	b
Listed personal property losses at the beginning of the tax year (amount a minus amount b)	...	502	A
Add: Current-year listed personal property loss (from Schedule 6)	.....	510	B
Subtotal (amount A plus amount B)			C

Deduct:

Previous year personal property losses applied in the current tax year against listed personal property gains (enter on line 655 of Schedule 6)	.....	530	c
Other adjustments	.....	550	d
Subtotal (amount c plus amount d)			D
Listed personal property losses remaining before any request for a carryback (amount C minus amount D)			E

Deduct – Request to carry back listed personal property loss to:

First previous tax year to reduce listed personal property gains	.....	961	e
Second previous tax year to reduce listed personal property gains	.....	962	f
Third previous tax year to reduce listed personal property gains	.....	963	g
Subtotal (total of amounts e to g)			F
Closing balance of listed personal property losses to be carried forward to future tax years (amount E minus amount F)		580	G

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 minus 6)
600	602	604	606	608		620
Total (enter this amount on line 222 of Schedule 1)						

Limited partnership losses from previous tax years that may be applied in the current year

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
630	632	634	636	638		650

Continuity of limited partnership losses that can be carried forward to future tax years

1	2	3	4	5	6
Partnership identifier	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary	Current-year limited partnership losses (from column 620)	Limited partnership losses applied in the current year (cannot be more than column 650)	Current year limited partnership losses closing balance to be carried forward to future years (662 + 664 + 670 – 675)
660	662	664	670	675	680
Total (enter this amount on line 335 of the T2 return)					

Note

If you have any current–or previous–year losses, enter your partnership identifier on line 600, 630, or 660.

Part 8 – Election under paragraph 88(1.1)(f)

If you are making an election under paragraph 88(1.1)(f), check the box

..... **190**

Yes

☐

Further to a winding-up of a subsidiary, the portion of a non-capital loss, restricted farm loss, farm loss, or limited partnership loss from a wholly-owned subsidiary is deemed to be the loss of a parent from its tax year starting after the commencement of the winding-up.

Note

This election is only applicable for wind-ups under 88(1) that are reported on Schedule 24, *First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent*, and the deemed provision is only for the tax years that start after the commencement of the wind-up.

Attached Schedule with Total

Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation

Title Non-capital losses transferred on the amalgamation or the wind-up of a sul

Description	Amount	
WPPI 5-31-2011 Balance	990,418	00
CPC 5-31-2011 Balance	478,994	00
Total	1,469,412	00

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses – losses that can be carried forward over 20 years

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A				N/A		
1st preceding taxation year 2011-05-31	146,893	N/A	618,269	N/A	160,451		604,711
2nd preceding taxation year 2010-12-31		N/A	585,333	N/A	585,333		
3rd preceding taxation year 2009-12-31		N/A	134,927	N/A	134,927		
4th preceding taxation year 2008-12-31		N/A	11,249	N/A	11,249		
5th preceding taxation year 2007-12-31		N/A		N/A			
6th preceding taxation year 2006-12-31		N/A		N/A			
7th preceding taxation year 2005-12-31		N/A		N/A			
8th preceding taxation year 2004-12-31		N/A		N/A			
9th preceding taxation year 2003-12-31		N/A		N/A			
10th preceding taxation year 2002-12-31		N/A		N/A			
11th preceding taxation year 2002-06-30		N/A		N/A			
12th preceding taxation year 2001-06-30		N/A		N/A			
13th preceding taxation year 2000-06-30		N/A		N/A			
14th preceding taxation year 1999-06-30		N/A		N/A			
15th preceding taxation year 1998-06-30		N/A		N/A			
16th preceding taxation year 1997-06-30		N/A		N/A			
17th preceding taxation year 1996-06-30		N/A		N/A			
18th preceding taxation year 1995-06-30		N/A		N/A			
19th preceding taxation year 1994-06-30		N/A		N/A			
20th preceding taxation year 1993-06-30		N/A		N/A			*
Total	146,893		1,349,778		891,960		604,711

Non-capital losses – losses that can be carried forward over 10 years

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	N/A		N/A	N/A	N/A	N/A
1st preceding taxation year 2011-05-31		N/A		N/A			
2nd preceding taxation year 2010-12-31		N/A		N/A			
3rd preceding taxation year 2009-12-31		N/A		N/A			
4th preceding taxation year 2008-12-31		N/A		N/A			
5th preceding taxation year 2007-12-31		N/A		N/A			
6th preceding taxation year 2006-12-31		N/A	119,634	N/A	119,634		
7th preceding taxation year 2005-12-31		N/A		N/A			
8th preceding taxation year 2004-12-31		N/A		N/A			
9th preceding taxation year 2003-12-31		N/A		N/A			
10th preceding taxation year 2002-12-31		N/A		N/A			*
Total		N/A	119,634	N/A	119,634		

* This balance expires this year and will not be available next year.

Attached Schedule with Total

Adjustments and transfers – 1st preceding taxation year

Title Adjustments and transfers – 1st preceding taxation year

Description	Amount	
CPC	341,373	00
WPPI	276,896	00
Total	618,269	00

Attached Schedule with Total

Adjustments and transfers – 2nd preceding taxation year

Title Adjustments and transfers – 2nd preceding taxation year

Description	Amount	
CPC	52,930	00
WPPI	532,403	00
Total	585,333	00

Attached Schedule with Total

Adjustments and transfers – 3rd preceding taxation year

Title Adjustments and transfers – 3rd preceding taxation year

Description	Amount	
CPC	73,442	00
WPPI	61,485	00
Total	134,927	00



TAX CALCULATION SUPPLEMENTARY – CORPORATIONS

Corporation's name	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this schedule if, during the tax year, the corporation:
 - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B and D in Part 1);
 - is claiming provincial or territorial tax credits or rebates (see Part 2); or
 - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- Regulations mentioned in this schedule are from the *Income Tax Regulations*.
- For more information, see the *T2 Corporation – Income Tax Guide*.
- Enter the regulation number in field 100 of Part 1.

Part 1 – Allocation of taxable income

A Jurisdiction Tick yes if the corporation had a permanent establishment in the jurisdiction during the tax year. *		B Total salaries and wages paid in jurisdiction	C (B x taxable income**) / G	D Gross revenue	E (D x taxable income**) / H	F Allocation of taxable income (C + E) x 1/2*** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 1 Yes <input type="checkbox"/>	103		143		
Newfoundland and Labrador offshore	004 1 Yes <input type="checkbox"/>	104		144		
Prince Edward Island	005 1 Yes <input type="checkbox"/>	105		145		
Nova Scotia	007 1 Yes <input type="checkbox"/>	107		147		
Nova Scotia offshore	008 1 Yes <input type="checkbox"/>	108		148		
New Brunswick	009 1 Yes <input type="checkbox"/>	109		149		
Quebec	011 1 Yes <input type="checkbox"/>	111		151		
Ontario	013 1 Yes <input type="checkbox"/>	113		153		
Manitoba	015 1 Yes <input type="checkbox"/>	115		155		
Saskatchewan	017 1 Yes <input type="checkbox"/>	117		157		
Alberta	019 1 Yes <input type="checkbox"/>	119		159		
British Columbia	021 1 Yes <input type="checkbox"/>	121		161		
Yukon	023 1 Yes <input type="checkbox"/>	123		163		
Northwest Territories	025 1 Yes <input type="checkbox"/>	125		165		
Nunavut	026 1 Yes <input type="checkbox"/>	126		166		
Outside Canada	027 1 Yes <input type="checkbox"/>	127		167		
Total		129 G		169 H		

* "Permanent establishment" is defined in Regulation 400(2).

** Starting in 2009, if the corporation has income or loss from an international banking centre: the taxable income is the amount on line 360 or line Z of the T2 return **plus** the total amount not required to be included, or **minus** the total amount not allowed to be deducted, in calculating the corporation's income under section 33.1 of the federal *Income Tax Act*.

*** For corporations other than those described under Regulation 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:

1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable.
For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the *T2 Corporation – Income Tax Guide*.
2. If the corporation has provincial or territorial tax payable, complete Part 2.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits

Ontario basic income tax (from Schedule 500) **270** _____

Deduct: Ontario small business deduction (from schedule 500) **402** _____

Subtotal _____ **A6**

Add:

Surtax re Ontario small business deduction (from Schedule 500) **272** _____

Ontario additional tax re Crown royalties (from Schedule 504) **274** _____

Ontario transitional tax debits (from Schedule 506) **276** _____

Recapture of Ontario research and development tax credit (from Schedule 508) **277** _____

Subtotal _____ **B6**

Subtotal (amount A6 **plus** amount B6) _____ **C6**

Deduct:

Ontario resource tax credit (from Schedule 504) **404** _____

Ontario tax credit for manufacturing and processing (from Schedule 502) **406** _____

Ontario foreign tax credit (from Schedule 21) **408** _____

Ontario credit union tax reduction (from Schedule 500) **410** _____

Ontario transitional tax credits (from Schedule 506) **414** _____

Ontario political contributions tax credit (from Schedule 525) **415** _____

Subtotal _____ **D6**

Subtotal (amount C6 **minus** amount D6) (if negative, enter "0") _____ **E6**

Deduct: Ontario research and development tax credit (from Schedule 508) **416** _____

Ontario corporate income tax payable before Ontario corporate minimum tax credit (amount E6 **minus** amount on line 416)
(if negative, enter "0") **F6**

Deduct: Ontario corporate minimum tax credit (from schedule 510) **418** _____

Ontario corporate income tax payable (amount F6 **minus** amount on line 418) (if negative, enter "0") **G6**

Add:

Ontario corporate minimum tax (from Schedule 510) **278** _____

Ontario special additional tax on life insurance corporations (from Schedule 512) **280** _____

Ontario capital tax (from Schedule 514 or Schedule 515, whichever applies) **282** _____

Subtotal _____ **H6**

Total Ontario tax payable before refundable credits (amount G6 **plus** amount H6) **I6**

Deduct:

Ontario qualifying environmental trust tax credit **450** _____

Ontario co-operative education tax credit (from Schedule 550) **452** _____

Ontario apprenticeship training tax credit (from Schedule 552) **454** _____

Ontario computer animation and special effects tax credit (from Schedule 554) **456** _____

Ontario film and television tax credit (from Schedule 556) **458** _____

Ontario production services tax credit (from Schedule 558) **460** _____

Ontario interactive digital media tax credit (from Schedule 560) **462** _____

Ontario sound recording tax credit (from Schedule 562) **464** _____

Ontario book publishing tax credit (from Schedule 564) **466** _____

Ontario innovation tax credit (from Schedule 566) **468** _____

Ontario business-research institute tax credit (from Schedule 568) **470** _____

Other Ontario tax credits _____

Subtotal _____ **J6**

Net Ontario tax payable or refundable credit (amount I6 **minus** amount J6) **290** _____ **K6**

(if a credit, enter a negative amount) Include this amount on line 255.

Summary

Enter the total net tax payable or refundable credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable credits 255

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.



CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under regulation 1101(5q)?

101

1 Yes ☐

2 No ☒

1 Class number (See Note)	Description	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of last year)	3 Cost of acquisitions during the year (new property must be available for use)*	4 Net adjustments**	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)***	7 Reduced undepreciated capital cost	8 CCA rate % ****	9 Recapture of capital cost allowance (line 107 of Schedule 1)	10 Terminal loss (line 404 of Schedule 1)	11 Capital cost allowance (for declining balance method, column 7 multiplied by column 8, or a lower amount) (line 403 of Schedule 1) *****	12 Undepreciated capital cost at the end of the year (column 6 plus column 7 minus column 11)
200		201	203	205	207	211		212	213	215	217	220
1. 1	Buildings	94,786		4,384,920	0		4,479,706	4	0	0	105,058	4,374,648
2. 1	Distrib/Sub Station	125,669			0		125,669	4	0	0	2,947	122,722
3. 1	Poles Towers Fixture	1,460,461			0		1,460,461	4	0	0	34,251	1,426,210
4. 1	Wires Meters Transf	10,309,270			0		10,309,270	4	0	0	241,774	10,067,496
5. 8	Office Furn/Equip	13,816	107,827	476,208	0	53,914	543,937	20	0	0	63,782	534,069
6. 8	Smart Meters	1,494,587	520,319	-338,825	0	260,160	1,415,921	20	0	0	166,031	1,510,050
7. 8	Tools and equipment	12,358	37,028		0	18,514	30,872	20	0	0	3,620	45,766
8. 10	Computer Equipment	474			0		474	30	0	0	83	391
9. 10	Transportation Equipment	136,111	407,530	182,724	0	203,765	522,600	30	0	0	91,920	634,445
10. 12	Software	148,808	362,848	-186,862	0	181,424	143,370	100	0	0	84,058	240,736
11. 12	Software - smart meters	204,817	327,583	-258,232	0	163,792	110,376	100	0	0	64,714	209,454
12. 13			151,356	826	0	75,678	76,504	NA	0	0	9,333	142,849
13. 45	Computer equipment purchased	89		4,502	0		4,591	45	0	0	1,211	3,380
14. 47	Utility Transmission Equipment	5,685,577	1,264,147	265,380	18,239	622,954	6,573,911	8	0	0	308,344	6,888,521
15. 50	Computers - after March 18 2001	8,094	30,414	-7,612	0	15,207	15,689	55	0	0	5,059	25,837
16. 94					0			0	0	0		
17. 94	WIP		433,461		0	216,731	216,730	0	0	0		433,461
Totals		19,694,917	3,642,513	4,523,029	18,239	1,812,139	26,030,081				1,182,185	26,660,035

- Note:** Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed.
Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- * Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).
 - ** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.
 - *** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.
 - **** Enter a rate only, if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 11.
 - ***** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

T2 SCH 8 (11)

Canada

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	ERTH Corporation	CA	86356 4324 RC0001	1					
2.	ERTH (Holdings) Inc.	CA	86371 9696 RC0003	3					
3.	ERTH Business Technologies Inc.	CA	87013 2917 RC0001	3					
4.	ERTH Limited	CA	83794 3117 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")	200	310,261	A
Add:			
Cost of eligible capital property acquired during the taxation year	222		
Other adjustments	226		
Subtotal (line 222 plus line 226)			B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228		C
amount B minus amount C (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up of subsidiary	224	15,820	E
Subtotal (add amounts A, D, and E)	230	326,081	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(add amounts G,H, and I)			J
Cumulative eligible capital balance (amount F minus amount J)		326,081	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)			
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249		
amount K		326,081	
less amount from line 249			
Current year deduction		13,383	*
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		13,383	L
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")	300	312,698	M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 – Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K (show as positive amount)			N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400	1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401	2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402	3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408	4	
Line 3 minus line 4 (if negative, enter "0")		5	
Total of lines 1, 2 and 5		6	
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400		7	
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000		8	
Subtotal (line 7 plus line 8)	409	9	
Line 6 minus line 9 (if negative, enter "0")			O
Line N minus line O (if negative, enter "0")			P
	Line 5	x 1 / 2 =	Q
Line P minus line Q (if negative, enter "0")			R
	Amount R	x 2 / 3 =	S
Amount N or amount O, whichever is less			T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410		



AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year, is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group. Include non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act* (ITA) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code that applies to each corporation:

- 1 – Associated for purposes of allocating the business limit (unless code 5 applies)
- 2 – CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 – Non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 – Associated non-CCPC
- 5 – Associated CCPC to which code 1 does not apply because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group. The business limit is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A falls within the range for the calendar year to which the agreement applies:

Calendar year	Acceptable range
2006	maximum \$300,000
2007	\$300,001 to \$400,000

Calendar year	Acceptable range
2008	maximum \$400,000
2009	\$400,001 to \$500,000

If the calendar year to which this agreement applies is after 2009, ensure that the total at line A does not exceed \$500,000.

Allocating the business limit

Date filed (do not use this area)

025

Year Month Day

Enter the calendar year to which the agreement applies

050

Year

2011

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?

075

1 Yes ☐

2 No ☒

	1 Names of associated corporations 100	2 Business Number of associated corporations 200	3 Asso- ciation code 300	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$ 400
1	Erie Thames Powerlines Corporation	86371 9498 RC0002	1	500,000		
2	ERTH Corporation	86356 4324 RC0001	1	500,000	100.0000	500,000
3	ERTH (Holdings) Inc.	86371 9696 RC0003	1	500,000		
4	ERTH Business Technologies Inc.	87013 2917 RC0001	1	500,000		
5	ERTH Limited	83794 3117 RC0001	1	500,000		
	Total				100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the ITA

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "Large corporation amount" at line 415 of the T2 return. If the corporation is a member of an associated group** of corporations in the current tax year, the amount at line 415 of the T2 return is equal to $0.225\% \times (A - \$10,000,000)$ where, "A" is the total of taxable capital employed in Canada*** of each corporation in the associated group for its last tax year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules apply if a CCPC has more than one tax year ending in a calendar year and is associated in more than one of those years with another CCPC that has a tax year ending in the same calendar year. If the tax year straddles January 1, 2009, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit that would have been determined for the first tax year ending in the calendar year, if \$500,000 was used in allocating the amounts among associated corporations and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year. Otherwise, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit determined for the first tax year ending in the calendar year and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year.

** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

*** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the ITA.

T2 SCH 23 (09)

Canada

**FIRST-TIME FILER AFTER INCORPORATION, AMALGAMATION, OR WINDING-UP OF A
SUBSIDIARY INTO A PARENT**

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

This schedule must be filed by corporations for the first year of filing after incorporation, amalgamation, or by parent corporations filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act* during the current taxation year.

Part 1 – Type of operation

100 For those corporations filing for the first time after incorporation or amalgamation, please identify the type of operation that applies to your corporation:

99 Other

Part 2 – First year of filing after amalgamation

For the first year of filing after an amalgamation, please provide the following information:

	Name of predecessor corporation(s) 200	Business Number (If a corporation is not registered, enter "NR") 300
1	West Perth Power Inc.	86922 9377 RC0001
2	Clinton Power Corporation	86985 8779 RC0001
3	Erie Thames Powerlines Corporation	86371 9498 RC0001

Part 3 – First year of filing after wind-up of subsidiary corporation(s)

For the parent corporation filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act*, please provide the following information:

Name of subsidiary corporation(s) 400	Business Number (If a corporation is not registered, enter "NR") 500	Commencement date of wind-up (YYYY/MM/DD) 600	Date of wind-up (YYYY/MM/DD) 700

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

		Provide only one number per shareholder				
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)		Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100		200	300	350	400	500
1	ERTH Corporation	86356 4324 RC0001			100.000	100.000
2						
3						
4						
5						
6						
7						
8						
9						
10						



ONTARIO SPECIALTY TYPES

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this schedule to identify the specialty type of a corporation carrying on business in the province of Ontario through a permanent establishment if:
 - its tax year includes January 1, 2009;
 - the tax year is the first year after incorporation or an amalgamation; or
 - there is a change to the specialty type.
- If none of the listed specialty types applies, tick box 99 "Other."
- Unless otherwise noted, references to sections, subsections, and clauses are from the *Taxation Act, 2007* (Ontario).

Specialty types

100 Identify the specialty type that applies to your corporation:

- ☐ 01 Family farm corporation – See subsection 64(3).
- ☐ 02 Family fishing corporation – See subsection 64(3).
- ☐ 03 Mortgage investment corporation – See subsection 130.1(6) of the federal *Income Tax Act*.
- ☐ 04 Credit union – See subsection 137(6) of the federal Act.
- ☐ 06 Bank – See subsection 248(1) of the federal Act.
- ☐ 08 Financial institution prescribed by regulation only – See clause 66(2)(f).
- ☐ 09 Registered securities dealer – See subsection 248(1) of the federal Act.
- ☐ 10 Farm feeder finance co-operative corporation
- ☐ 11 Insurance corporation – See subsection 248(1) of the federal Act.
- ☐ 12 Mutual insurance – See subsection 27(2) of the *Taxation Act, 2007* (Ontario) and paragraph 149(1)(m) of the federal Act.
- ☐ 13 Specialty mutual insurance
- ☐ 14 Mutual fund corporation – See subsection 131(8) of the federal Act.
- ☐ 15 Bare trustee corporation
- ☐ 16 Professional corporation (incorporated professional only) – See subsection 248(1) of the federal Act.
- ☐ 17 Limited liability corporation
- ☐ 18 Generator of electrical energy for sale, or producer of steam for use in the generation of electrical energy for sale – See subsection 33(7).
- ☒ 19 Hydro successor, municipal electrical utility, or subsidiary of either – See subsection 91.1(1) and section 88 of the *Electricity Act, 1998* (Ontario).
- ☐ 20 Producer and seller of steam for uses other than for the generation of electricity – See subsection 33(7).
- ☐ 21 Mining corporation
- ☐ 22 Non-resident corporation
- ☐ 99 Other (if none of the previous descriptions apply)



CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit www.ServiceOntario.ca for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)			
Erie Thames Powerlines Corporation			
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent	Year Month Day	120 Ontario Corporation No.
Ontario		2011-06-01	1428821

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)			
210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number	
143	Bell Street		
240 Additional address information if applicable (line 220 must be completed first)			
PO Box 157			
250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
Ingersoll	ON	CA	N5C 3K5

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit www.ServiceOntario.ca.

300 ☐ 1 If there have been no changes, enter 1 in this box and then go to "Part 4 – Certification."
If there are changes, enter 2 in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Skeoch Last name **451** John First name

454 Middle name(s)

460 ☐ 1 Please enter one of the following numbers in this box for the above-named person: 1 for director, 2 for officer, or 3 for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter 1 or 2.

Note: Sections 13 and 14 of the Ontario *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500	<input type="checkbox"/>	Please enter one of the following numbers in this box:			1 - Show no mailing address on the MGS public record. 2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule. 3 - The corporation's complete mailing address is as follows:			
510	Care of (if applicable)							
520	Street number	530	Street name/Rural route/Lot and Concession number		540	Suite number		
550	Additional address information if applicable (line 530 must be completed first)							
560	Municipality (e.g., city, town)		570	Province/state	580	Country	590	Postal/zip code

Part 6 – Language of preference

600	<input type="checkbox"/>	Indicate your language of preference by entering 1 for English or 2 for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.
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Canada Revenue Agency
Agence du revenu
du Canada

T2 CORPORATION INCOME TAX RETURN

200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see www.cra.gc.ca or Guide T4012, *T2 Corporation - Income Tax Guide*.

055 Do not use this area

Identification

Business Number (BN) 001 86371 9498 RC0002

Corporation's name

002 Erie Thames Powerlines Corporation

Address of head office

Has this address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

(If yes, complete lines 011 to 018.)

011 143 Bell Street

012 PO Box 157

City Province, territory, or state

015 Ingersoll

016 ON

Country (other than Canada) Postal code/Zip code

017 018 N5C 3K5

Mailing address (if different from head office address)

Has this address changed since the last time we were notified? 020 1 Yes ☐ 2 No ☒

(If yes, complete lines 021 to 028.)

021 c/o

022

023

City Province, territory, or state

025 Ingersoll

026 ON

Country (other than Canada) Postal code/Zip code

027 028 N5C 3K5

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 1 Yes ☒ 2 No ☐

(If yes, complete lines 031 to 038.)

031 143 Bell Street

032 PO Box 157

City Province, territory, or state

035 Ingersoll

036 ON

Country (other than Canada) Postal code/Zip code

037 038 N5C 3K5

040 Type of corporation at the end of the tax year

1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation

2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)

3 ☐ Public corporation

If the type of corporation changed during the tax year, provide the effective date of the change.

043
YYYY MM DD

To which tax year does this return apply?

Tax year start Tax year-end
060 2011-06-01 061 2011-12-31
YYYY MM DD YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? 063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired 065
YYYY MM DD

Is the date on line 061 a deemed tax year-end according to:

subparagraph 88(2)(a)(iv)? 064 1 Yes ☐ 2 No ☒
subsection 249(3.1)? 066 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:
Incorporation? 070 1 Yes ☐ 2 No ☒
Amalgamation? 071 1 Yes ☒ 2 No ☐

If yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes ☐ 2 No ☒

If yes, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? 078 1 Yes ☐ 2 No ☒

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 1 Yes ☒ 2 No ☐ If no, give the country of residence on line 081 and complete and attach Schedule 97.

081
Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes ☐ 2 No ☒
If yes, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085 1 ☐ Exempt under paragraph 149(1)(e) or (l)
2 ☐ Exempt under paragraph 149(1)(j)
3 ☐ Exempt under paragraph 149(1)(l)
4 ☐ Exempt under other paragraphs of section 149

Do not use this area

095

096

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Page 1

Attachments

Financial statement information: Use GIFL schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	<input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation have any foreign affiliates during the year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Has the corporation had any non-arm's length transactions with a non-resident?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or	<input type="checkbox"/>	
ii) does the corporation have aggregate investment income at line 440?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input checked="" type="checkbox"/>	
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input checked="" type="checkbox"/>	
Is the corporation claiming a surtax credit?	<input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	T1134-A
Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	<input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	<input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution US			
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	Distribution of Electricity	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	YYYY MM DD	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL.	300	1,011,594	A
Deduct: Charitable donations from Schedule 2	311		
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331	1,011,594	
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal		1,011,594	B
Subtotal (amount A minus amount B) (if negative, enter "0")			C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360		
Income exempt under paragraph 149(1)(t)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			Z

* This amount is equal to 3.2 times the Part VI.1 tax payable at line 724 on page 8. Use 3.5 for tax years ending after 2011.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7	400	1,011,594	A
Taxable income from line 360 on page 3, minus 100/28* 3.4012 of the amount on line 632** on page 7, minus 1/(0.38 - X***) 3.77358 times the amount on line 636**** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410		C

Notes:

- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C	x	415 *****	54,384	D	=		E
			11,250				
Reduced business limit (amount C minus amount E) (if negative, enter "0")						425	F

Small business deduction

Amount A, B, C, or F, whichever is the least	x	17 %	=		430	G
--	---	------	---	--	-----	---

Enter amount G on line 1 on page 7.

* 10/3 for tax years ending before November 1, 2011. The result of the multiplication by line 632 has to be pro-rated based on the number of days in the tax year that are in each period: before November 1, 2011, and after October 31, 2011.

** Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

*** General rate reduction percentage for the tax year. It has to be pro-rated based on the number of days in the tax year that are in each calendar year. See page 5.


**** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (Total taxable capital employed in Canada for the **prior year** minus \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (Total taxable capital employed in Canada for the **current year** minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3*	.....	_____	A
Lesser of amounts V and Y (line Z1) from Part 9 of Schedule 27	.....	_____ B	
Amount QQ from Part 13 of Schedule 27	.....	_____ C	
Personal service business income**	.....	**432 _____ D	
Amount used to calculate the credit union deduction from Schedule 17	.....	_____ E	
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least	.....	_____ F	
Aggregate investment income from line 440 on page 6***	.....	_____ G	
Total of amounts B to G	.....	_____	H
Amount A minus amount H (if negative, enter "0")	.....	_____	I
Amount I	x	$\frac{\text{Number of days in the tax year after December 31, 2008, and before January 1, 2010}}{\text{Number of days in the tax year}} \times 9\%$	= _____ J
Amount I	x	$\frac{\text{Number of days in the tax year after December 31, 2009, and before January 1, 2011}}{\text{Number of days in the tax year}} \times 10\%$	= _____ K
Amount I	x	$\frac{\text{Number of days in the tax year after December 31, 2010, and before January 1, 2012}}{\text{Number of days in the tax year}} \times 11.5\%$	= _____ L
Amount I	x	$\frac{\text{Number of days in the tax year after December 31, 2011}}{\text{Number of days in the tax year}} \times 13\%$	= _____ M

General tax reduction for Canadian-controlled private corporations – Total of amounts J to M

Enter amount N on line 638 on page 7.


* For tax years ending after October 31, 2011, line 360 or amount Z, whichever applies.

** For tax years beginning after October 31, 2011.

*** Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)	.....	_____	O
Lesser of amounts V and Y (line Z1) from Part 9 of Schedule 27	.....	_____ P	
Amount QQ from Part 13 of Schedule 27	.....	_____ Q	
Personal service business income*	.....	434 _____ R	
Amount used to calculate the credit union deduction from Schedule 17	.....	_____ S	
Total of amounts P to S	.....	_____	T
Amount O minus amount T (if negative, enter "0")	.....	_____	U
Amount U	x	$\frac{\text{Number of days in the tax year after December 31, 2008, and before January 1, 2010}}{\text{Number of days in the tax year}} \times 9\%$	= _____ V
Amount U	x	$\frac{\text{Number of days in the tax year after December 31, 2009, and before January 1, 2011}}{\text{Number of days in the tax year}} \times 10\%$	= _____ W
Amount U	x	$\frac{\text{Number of days in the tax year after December 31, 2010, and before January 1, 2012}}{\text{Number of days in the tax year}} \times 11.5\%$	= _____ X
Amount U	x	$\frac{\text{Number of days in the tax year after December 31, 2011}}{\text{Number of days in the tax year}} \times 13\%$	= _____ Y

General tax reduction – Total of amounts V to Y

Enter amount Z on line 639 on page 7.

* For tax years beginning after October 31, 2011.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income **440** x 26 2 / 3 % = A
from Schedule 7

Foreign non-business income tax credit from line 632 on page 7

Deduct:

Foreign investment income **445** x 9 1 / 3 % =
from Schedule 7 (if negative, enter "0") ▶ B

Amount A minus amount B (if negative, enter "0") C

Taxable income from line 360 on page 3

Deduct:

Amount from line 400, 405, 410, or 425 on page 4,
whichever is the least

Foreign non-business
income tax credit 25/9*
from line 632 on page 7 x 25 / 9 =

Foreign business income
tax credit from line 636 on
page 7 x 1(0.38 - X**) 3.77358 =

 x 26 2 / 3 % = D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least **450** F

* 100/35 for tax years beginning after October 31, 2011.

** General rate reduction percentage for the tax year. It has to be pro-rated.

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year **460** 533

Deduct: Dividend refund for the previous tax year **465**

 533 ▶ 533 G

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from Schedule 3

Net refundable dividend tax on hand transferred from a predecessor corporation on
amalgamation, or from a wound-up subsidiary corporation **480**

 ▶ H

Refundable dividend tax on hand at the end of the tax year – Amount G plus amount H **485** 533

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 x 1 / 3 I

Refundable dividend tax on hand at the end of the tax year from line 485 above 533 J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 on page 8)

Part I tax

Base amount of Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %	550	A
Recapture of investment tax credit from Schedule 31	602	B
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)		
Aggregate investment income from line 440 on page 6		i
Taxable income from line 360 on page 3		
Deduct:		
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least		
Net amount		ii
Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii	604	C
Subtotal (add lines A to C)		D
Deduct:		
Small business deduction from line 430 on page 4		1
Federal tax abatement	608	
Manufacturing and processing profits deduction from Schedule 27	616	
Investment corporation deduction	620	
Taxed capital gains 624		
Additional deduction – credit unions from Schedule 17	628	
Federal foreign non-business income tax credit from Schedule 21	632	
Federal foreign business income tax credit from Schedule 21	636	
General tax reduction for CCPCs from amount N on page 5	638	
General tax reduction from amount Z on page 5	639	
Federal logging tax credit from Schedule 21	640	
Federal qualifying environmental trust tax credit	648	
Investment tax credit from Schedule 31	652	
Subtotal		E
Part I tax payable – Line D minus line E		F
Enter amount F on line 700 on page 8.		

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	

Total federal tax

Add provincial or territorial tax:

Provincial or territorial jurisdiction . . . **750** ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta) . . . **760**
Provincial tax on large corporations (Nova Scotia Schedule 342) . . . **765**

Total tax payable **770** A

Deduct other credits:

Investment tax credit refund from Schedule 31 . . . **780**
Dividend refund from page 6 . . . **784**
Federal capital gains refund from Schedule 18 . . . **788**
Federal qualifying environmental trust tax credit refund . . . **792**
Canadian film or video production tax credit refund (Form T1131) . . . **796**
Film or video production services tax credit refund (Form T1177) . . . **797**
Tax withheld at source . . . **800**
Total payments on which tax has been withheld . . . **801**
Provincial and territorial capital gains refund from Schedule 18 . . . **808**
Provincial and territorial refundable tax credits from Schedule 5 . . . **812**
Tax instalments paid . . . **840** 146,400

Total credits **890** 146,400 B

Refund code **894** 1 Overpayment 146,400

Balance (line A minus line B) -146,400



Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information **910**
Branch number
914 Institution number **918** Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

Enclosed payment **898**

896 1 Yes ☐ 2 No ☒

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, **950** Skeoch **951** John **954** CFO

Last name in block letters

First name in block letters

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2012-06-29
Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (519) 518-6117
Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below

957 1 Yes ☒ 2 No ☐

958
Name in block letters

959
Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

990 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 *Corporation Income Tax Guide*.
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Amount calculated on line 9999 from Schedule 125 1,144,984 A

Add:

Amortization of tangible assets	104	821,791	
Non-deductible meals and entertainment expenses	121	3,647	
Non-deductible life insurance premiums	123	1,655	
Subtotal of additions		827,093	827,093

Other additions:

Miscellaneous other additions:

600 Capital lease interest	290	17,738	
604 Post retirement - accrual 2011		551,600	
Smart meter recovery for tax purposes		314,511	
Payment of Lawsuit		90,737	
Total		956,848	
Subtotal of other additions	199	974,586	974,586
Total additions	500	1,801,679	1,801,679

Deduct:

Gain on disposal of assets per financial statements	401	15,736	
Capital cost allowance from Schedule 8	403	1,182,185	
Cumulative eligible capital deduction from Schedule 10	405	13,383	
Subtotal of deductions		1,211,304	1,211,304

Other deductions:

Miscellaneous other deductions:

700 Post retirement - accrual 2010	390	514,103	
701 Smart meter expense for tax purposes	391	68,586	
703 Settlement of late charges		19,414	
Total		19,414	
704 Capital lease payments		121,662	
Total		121,662	
Subtotal of other deductions	394	723,765	723,765
Total deductions	510	1,935,069	1,935,069

Net income (loss) for income tax purposes – enter on line 300 of the T2 return 1,011,594



CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time. Also, no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the Act.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes 1,011,594 **A**

Deduct: (increase a loss)

Net capital losses deducted in the year (enter as a positive amount) **a**
 Taxable dividends deductible under sections 112, 113(1), or subsection 138(6) **b**
 Amount of Part VI.1 tax deductible **c**
 Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2) **d**
 Subtotal (total of amounts a to d) **B**
 Subtotal (amount A **minus** amount B; if positive, enter "0") **C**

Deduct: (increase a loss)

Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions **D**
 Subtotal (amount C **minus** amount D) **E**

Add: (decrease a loss)

Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss. Enter amount F on line 310) **F**
 Current-year non-capital loss (amount E **plus** amount F; if positive, enter "0"; if negative, enter amount G on line 110 as a positive) **G**

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year 146,893 **e**
Deduct: Non-capital loss expired* **100** **f**
 Non-capital losses at the beginning of the tax year (amount e **minus** amount f) **102** 146,893 **H**
Add:
 Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation **105** 1,469,412 **g**
 Current-year non-capital loss (amount G above) **110** **h**
 Subtotal (amount g **plus** amount h) 1,469,412 **I**
 Subtotal (amount H **plus** amount I) 1,616,305 **J**

* A non-capital loss expires as follows:

- after **7** tax years if it arose in a tax year ending before March 23, 2004;
- after **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:

- after **7** tax years if it arose in a tax year ending before March 23, 2004; and
- after **10** tax years if it arose in a tax year ending after March 22, 2004.

Part 1 – Non-capital losses (continued)

Amount J from page 1 1,616,305

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	150	i
Section 80 – Adjustments for forgiven amounts	140	j
Subsection 111(10) – Adjustments for fuel tax rebate		j.1
Non-capital losses of previous tax years applied in the current tax year (enter on line 331 of the T2 Return)	130	1,011,594 k
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax (enter on lines 330 and 335 of Schedule 3, <i>Dividends Received</i> , <i>Taxable Dividends Paid</i> , and <i>Part IV Tax Calculation</i> , respectively)	135	l
Subtotal (total of amounts i to l)	<u>1,011,594</u>	<u>1,011,594</u> k
Non-capital losses before any request for a carryback (amount J minus amount K)		<u>604,711</u> L

Deduct – Request to carry back non-capital loss to:

First previous tax year to reduce taxable income	901	m
Second previous tax year to reduce taxable income	902	n
Third previous tax year to reduce taxable income	903	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	r
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)		<u>M</u>
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)	180	<u>604,711</u> N

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	200	a
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation	205	b
Subtotal (amount a plus amount b)		<u>A</u>

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	250	c
Section 80 – Adjustments for forgiven amounts	240	d
Subtotal (amount c plus amount d)		<u>B</u>
Subtotal (amount A minus amount B)		<u>C</u>

Add: Current-year capital loss (from the calculation on Schedule 6)	210	D
Unused non-capital losses that expired in the tax year*		e
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**		f
Enter amount e or f, whichever is less	215	
ABILs expired as non-capital loss: line 215 divided by 0.500000	220	E
Subtotal (total of amounts C to E)		<u>F</u>

Note

If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total on line 220 above.

* If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax year. If the losses were incurred in a tax year ending after March 22, 2004, and before 2006, enter the losses from the 11th previous tax year. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line e.

** If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax year. If the losses were incurred in a tax year ending after March 22, 2004, enter the losses from the 11th previous tax year. Enter the full amount on line f.

Part 2 – Capital losses (continued)

		Amount F from page 2 _____	
Deduct: Capital losses from previous tax years applied against the current-year net capital gain (see Note 1)	225	_____	G
		Capital losses before any request for a carryback (amount F minus amount G)	_____ H
Deduct – Request to carry back capital loss to (see Note 2):			
	Capital gain (100%)	Amount carried back (100%)	
First previous tax year	951	_____	g
Second previous tax year	4,000 952	_____	h
Third previous tax year	953	_____	i
		Subtotal (total of amounts g to i)	_____ I
		Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I)	280 _____ J

Note 1

To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the purpose of current-year tax, enter the amount from line 225 **multiplied** by 50% on line 332 of the T2 return.

Note 2

On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, **multiply** this amount by the 50% inclusion rate.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year	_____	a	
Deduct: Farm loss expired*	300	_____	b
Farm losses at the beginning of the tax year (amount a minus amount b)	302	_____	A
Add:			
Farm losses transferred on the amalgamation or the windup of a subsidiary corporation	305	_____	c
Current-year farm loss	310	_____	d
		Subtotal (amount c plus amount d)	_____ B
		Subtotal (amount A plus amount B)	_____ C
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	350	_____	e
Section 80 – Adjustments for forgiven amounts	340	_____	f
Farm losses of previous tax years applied in the current tax year (enter on line 334 of the T2 Return)	330	_____	g
Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (enter on lines 340 and 345 of Schedule 3, <i>Dividends Received</i> , <i>Taxable Dividends Paid</i> , and <i>Part IV Tax Calculation</i> , respectively)	335	_____	h
		Subtotal (total of amounts e to h)	_____ D
		Farm losses before any request for a carryback (amount C minus amount D)	_____ E

Deduct – Request to carry back farm loss to:

First previous tax year to reduce taxable income	921	_____	i
Second previous tax year to reduce taxable income	922	_____	j
Third previous tax year to reduce taxable income	923	_____	k
First previous tax year to reduce taxable dividends subject to Part IV tax	931	_____	l
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	_____	m
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	_____	n
		Subtotal (total of amounts i to n)	_____ F
		Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F)	380 _____ G

* A farm loss expires as follows:

- after 10 tax years if it arose in a tax year ending before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485	A
Minus the deductible farm loss:		
(amount A above — \$2,500) divided by 2 =	a	
Amount a or \$ 6,250 , whichever is less	b	
	2,500	c
Subtotal (amount b plus amount c)	2,500	B
Current-year restricted farm loss (amount A minus amount B; enter amount C on line 410)		C

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year	d	
Deduct: Restricted farm loss expired*	400	e
Restricted farm losses at the beginning of the tax year (amount d minus amount e)	402	D
Add:		
Restricted farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	405	f
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	g
Subtotal (amount f plus amount g)		E
Subtotal (amount D plus amount E)		F

Deduct:

Restricted farm losses from previous tax years applied against current farming income (enter on line 333 of the T2 Return)	430	h
Section 80 – Adjustments for forgiven amounts	440	i
Other adjustments	450	j
Subtotal (total of amounts h to j)		G
Restricted farm losses before any request for a carryback (amount F minus amount G)		H

Deduct – Request to carry back restricted farm loss to:

First previous tax year to reduce farming income	941	k
Second previous tax year to reduce farming income	942	l
Third previous tax year to reduce farming income	943	m
Subtotal (total of amounts k to m)		I
Closing balance of restricted farm losses to be carried forward to future tax years (amount H minus amount I)	480	J

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

* A restricted farm loss expires as follows:

- after 10 tax years if it arose in a tax year ending before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

Part 5 – Listed personal property losses

Continuité des pertes sur des biens meubles déterminés et demande de report rétrospectif

Listed personal property losses at the end of the previous tax year	.....	a	
Deduct: Listed personal property loss expired after seven tax years	.....	500	b
Listed personal property losses at the beginning of the tax year (amount a minus amount b)	...	502	▶ A
Add: Current-year listed personal property loss (from Schedule 6)	.....	510	B
Subtotal (amount A plus amount B)			C

Deduct:

Previous year personal property losses applied in the current tax year against listed personal property gains (enter on line 655 of Schedule 6)	.....	530	c
Other adjustments	.....	550	d
Subtotal (amount c plus amount d)			▶ D
Listed personal property losses remaining before any request for a carryback (amount C minus amount D)			E

Deduct – Request to carry back listed personal property loss to:

First previous tax year to reduce listed personal property gains	.....	961	e
Second previous tax year to reduce listed personal property gains	.....	962	f
Third previous tax year to reduce listed personal property gains	.....	963	g
Subtotal (total of amounts e to g)			▶ F
Closing balance of listed personal property losses to be carried forward to future tax years (amount E minus amount F)		580	G

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 minus 6)
600	602	604	606	608		620
Total (enter this amount on line 222 of Schedule 1)						

Limited partnership losses from previous tax years that may be applied in the current year

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
630	632	634	636	638		650

Continuity of limited partnership losses that can be carried forward to future tax years

1	2	3	4	5	6
Partnership identifier	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary	Current-year limited partnership losses (from column 620)	Limited partnership losses applied in the current year (cannot be more than column 650)	Current year limited partnership losses closing balance to be carried forward to future years (662 + 664 + 670 – 675)
660	662	664	670	675	680
Total (enter this amount on line 335 of the T2 return)					

Note

If you have any current–or previous–year losses, enter your partnership identifier on line 600, 630, or 660.

Part 8 – Election under paragraph 88(1.1)(f)

If you are making an election under paragraph 88(1.1)(f), check the box

..... **190**

Yes

☐

Further to a winding-up of a subsidiary, the portion of a non-capital loss, restricted farm loss, farm loss, or limited partnership loss from a wholly-owned subsidiary is deemed to be the loss of a parent from its tax year starting after the commencement of the winding-up.

Note

This election is only applicable for wind-ups under 88(1) that are reported on Schedule 24, *First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent*, and the deemed provision is only for the tax years that start after the commencement of the wind-up.

Attached Schedule with Total

Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation

Title Non-capital losses transferred on the amalgamation or the wind-up of a sul

Description	Amount	
WPPI 5-31-2011 Balance	990,418	00
CPC 5-31-2011 Balance	478,994	00
Total	1,469,412	00

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses – losses that can be carried forward over 20 years

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A				N/A		
1st preceding taxation year 2011-05-31	146,893	N/A	618,269	N/A	160,451		604,711
2nd preceding taxation year 2010-12-31		N/A	585,333	N/A	585,333		
3rd preceding taxation year 2009-12-31		N/A	134,927	N/A	134,927		
4th preceding taxation year 2008-12-31		N/A	11,249	N/A	11,249		
5th preceding taxation year 2007-12-31		N/A		N/A			
6th preceding taxation year 2006-12-31		N/A		N/A			
7th preceding taxation year 2005-12-31		N/A		N/A			
8th preceding taxation year 2004-12-31		N/A		N/A			
9th preceding taxation year 2003-12-31		N/A		N/A			
10th preceding taxation year 2002-12-31		N/A		N/A			
11th preceding taxation year 2002-06-30		N/A		N/A			
12th preceding taxation year 2001-06-30		N/A		N/A			
13th preceding taxation year 2000-06-30		N/A		N/A			
14th preceding taxation year 1999-06-30		N/A		N/A			
15th preceding taxation year 1998-06-30		N/A		N/A			
16th preceding taxation year 1997-06-30		N/A		N/A			
17th preceding taxation year 1996-06-30		N/A		N/A			
18th preceding taxation year 1995-06-30		N/A		N/A			
19th preceding taxation year 1994-06-30		N/A		N/A			
20th preceding taxation year 1993-06-30		N/A		N/A			*
Total	146,893		1,349,778		891,960		604,711

Non-capital losses – losses that can be carried forward over 10 years

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	N/A		N/A	N/A	N/A	N/A
1st preceding taxation year 2011-05-31		N/A		N/A			
2nd preceding taxation year 2010-12-31		N/A		N/A			
3rd preceding taxation year 2009-12-31		N/A		N/A			
4th preceding taxation year 2008-12-31		N/A		N/A			
5th preceding taxation year 2007-12-31		N/A		N/A			
6th preceding taxation year 2006-12-31		N/A	119,634	N/A	119,634		
7th preceding taxation year 2005-12-31		N/A		N/A			
8th preceding taxation year 2004-12-31		N/A		N/A			
9th preceding taxation year 2003-12-31		N/A		N/A			
10th preceding taxation year 2002-12-31		N/A		N/A			*
Total		N/A	119,634	N/A	119,634		

* This balance expires this year and will not be available next year.

Attached Schedule with Total

Adjustments and transfers – 1st preceding taxation year

Title Adjustments and transfers – 1st preceding taxation year

Description	Amount	
CPC	341,373	00
WPPI	276,896	00
Total	618,269	00

Attached Schedule with Total

Adjustments and transfers – 2nd preceding taxation year

Title Adjustments and transfers – 2nd preceding taxation year

Description	Amount	
CPC	52,930	00
WPPI	532,403	00
Total	585,333	00

Attached Schedule with Total

Adjustments and transfers – 3rd preceding taxation year

Title Adjustments and transfers – 3rd preceding taxation year

Description	Amount	
CPC	73,442	00
WPPI	61,485	00
Total	134,927	00



TAX CALCULATION SUPPLEMENTARY – CORPORATIONS

Corporation's name	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this schedule if, during the tax year, the corporation:
 - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B and D in Part 1);
 - is claiming provincial or territorial tax credits or rebates (see Part 2); or
 - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- Regulations mentioned in this schedule are from the *Income Tax Regulations*.
- For more information, see the *T2 Corporation – Income Tax Guide*.
- Enter the regulation number in field 100 of Part 1.

Part 1 – Allocation of taxable income

A Jurisdiction Tick yes if the corporation had a permanent establishment in the jurisdiction during the tax year. *		B Total salaries and wages paid in jurisdiction	C (B x taxable income**) / G	D Gross revenue	E (D x taxable income**) / H	F Allocation of taxable income (C + E) x 1/2*** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 1 Yes <input type="checkbox"/>	103		143		
Newfoundland and Labrador offshore	004 1 Yes <input type="checkbox"/>	104		144		
Prince Edward Island	005 1 Yes <input type="checkbox"/>	105		145		
Nova Scotia	007 1 Yes <input type="checkbox"/>	107		147		
Nova Scotia offshore	008 1 Yes <input type="checkbox"/>	108		148		
New Brunswick	009 1 Yes <input type="checkbox"/>	109		149		
Quebec	011 1 Yes <input type="checkbox"/>	111		151		
Ontario	013 1 Yes <input type="checkbox"/>	113		153		
Manitoba	015 1 Yes <input type="checkbox"/>	115		155		
Saskatchewan	017 1 Yes <input type="checkbox"/>	117		157		
Alberta	019 1 Yes <input type="checkbox"/>	119		159		
British Columbia	021 1 Yes <input type="checkbox"/>	121		161		
Yukon	023 1 Yes <input type="checkbox"/>	123		163		
Northwest Territories	025 1 Yes <input type="checkbox"/>	125		165		
Nunavut	026 1 Yes <input type="checkbox"/>	126		166		
Outside Canada	027 1 Yes <input type="checkbox"/>	127		167		
Total		129 G		169 H		

* "Permanent establishment" is defined in Regulation 400(2).

** Starting in 2009, if the corporation has income or loss from an international banking centre: the taxable income is the amount on line 360 or line Z of the T2 return **plus** the total amount not required to be included, or **minus** the total amount not allowed to be deducted, in calculating the corporation's income under section 33.1 of the federal *Income Tax Act*.

*** For corporations other than those described under Regulation 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:

1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable.
For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the *T2 Corporation – Income Tax Guide*.
2. If the corporation has provincial or territorial tax payable, complete Part 2.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits

Ontario basic income tax (from Schedule 500) **270** _____

Deduct: Ontario small business deduction (from schedule 500) **402** _____

Subtotal _____ **A6**

Add:

Surtax re Ontario small business deduction (from Schedule 500) **272** _____

Ontario additional tax re Crown royalties (from Schedule 504) **274** _____

Ontario transitional tax debits (from Schedule 506) **276** _____

Recapture of Ontario research and development tax credit (from Schedule 508) **277** _____

Subtotal _____ **B6**

Subtotal (amount A6 **plus** amount B6) _____ **C6**

Deduct:

Ontario resource tax credit (from Schedule 504) **404** _____

Ontario tax credit for manufacturing and processing (from Schedule 502) **406** _____

Ontario foreign tax credit (from Schedule 21) **408** _____

Ontario credit union tax reduction (from Schedule 500) **410** _____

Ontario transitional tax credits (from Schedule 506) **414** _____

Ontario political contributions tax credit (from Schedule 525) **415** _____

Subtotal _____ **D6**

Subtotal (amount C6 **minus** amount D6) (if negative, enter "0") _____ **E6**

Deduct: Ontario research and development tax credit (from Schedule 508) **416** _____

Ontario corporate income tax payable before Ontario corporate minimum tax credit (amount E6 **minus** amount on line 416)
(if negative, enter "0") **F6**

Deduct: Ontario corporate minimum tax credit (from schedule 510) **418** _____

Ontario corporate income tax payable (amount F6 **minus** amount on line 418) (if negative, enter "0") **G6**

Add:

Ontario corporate minimum tax (from Schedule 510) **278** _____

Ontario special additional tax on life insurance corporations (from Schedule 512) **280** _____

Ontario capital tax (from Schedule 514 or Schedule 515, whichever applies) **282** _____

Subtotal _____ **H6**

Total Ontario tax payable before refundable credits (amount G6 **plus** amount H6) **I6**

Deduct:

Ontario qualifying environmental trust tax credit **450** _____

Ontario co-operative education tax credit (from Schedule 550) **452** _____

Ontario apprenticeship training tax credit (from Schedule 552) **454** _____

Ontario computer animation and special effects tax credit (from Schedule 554) **456** _____

Ontario film and television tax credit (from Schedule 556) **458** _____

Ontario production services tax credit (from Schedule 558) **460** _____

Ontario interactive digital media tax credit (from Schedule 560) **462** _____

Ontario sound recording tax credit (from Schedule 562) **464** _____

Ontario book publishing tax credit (from Schedule 564) **466** _____

Ontario innovation tax credit (from Schedule 566) **468** _____

Ontario business-research institute tax credit (from Schedule 568) **470** _____

Other Ontario tax credits _____

Subtotal _____ **J6**

Net Ontario tax payable or refundable credit (amount I6 **minus** amount J6) **290** _____ **K6**

(if a credit, enter a negative amount) Include this amount on line 255.

Summary

Enter the total net tax payable or refundable credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable credits 255

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.



CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

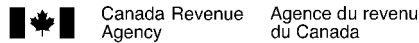
Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

1 Class number (See Note)	Description	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of last year)	3 Cost of acquisitions during the year (new property must be available for use)*	4 Net adjustments**	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)***	7 Reduced undepreciated capital cost	8 CCA rate % ****	9 Recapture of capital cost allowance (line 107 of Schedule 1)	10 Terminal loss (line 404 of Schedule 1)	11 Capital cost allowance (for declining balance method, column 7 multiplied by column 8, or a lower amount) (line 403 of Schedule 1) *****	12 Undepreciated capital cost at the end of the year (column 6 plus column 7 minus column 11)
200		201	203	205	207	211		212	213	215	217	220
1. 1	Buildings	94,786		4,384,920	0		4,479,706	4	0	0	105,058	4,374,648
2. 1	Distrib/Sub Station	125,669			0		125,669	4	0	0	2,947	122,722
3. 1	Poles Towers Fixture	1,460,461			0		1,460,461	4	0	0	34,251	1,426,210
4. 1	Wires Meters Transf	10,309,270			0		10,309,270	4	0	0	241,774	10,067,496
5. 8	Office Furn/Equip	13,816	107,827	476,208	0	53,914	543,937	20	0	0	63,782	534,069
6. 8	Smart Meters	1,494,587	520,319	-338,825	0	260,160	1,415,921	20	0	0	166,031	1,510,050
7. 8	Tools and equipment	12,358	37,028		0	18,514	30,872	20	0	0	3,620	45,766
8. 10	Computer Equipment	474			0		474	30	0	0	83	391
9. 10	Transportation Equipment	136,111	407,530	182,724	0	203,765	522,600	30	0	0	91,920	634,445
10. 12	Software	148,808	362,848	-186,862	0	181,424	143,370	100	0	0	84,058	240,736
11. 12	Software - smart meters	204,817	327,583	-258,232	0	163,792	110,376	100	0	0	64,714	209,454
12. 13			151,356	826	0	75,678	76,504	NA	0	0	9,333	142,849
13. 45	Computer equipment purchased	89		4,502	0		4,591	45	0	0	1,211	3,380
14. 47	Utility Transmission Equipment	5,685,577	1,264,147	265,380	18,239	622,954	6,573,911	8	0	0	308,344	6,888,521
15. 50	Computers - after March 18 2001	8,094	30,414	-7,612	0	15,207	15,689	55	0	0	5,059	25,837
16. 94					0			0	0	0		
17. 94	WIP		433,461		0	216,731	216,730	0	0	0		433,461
Totals		19,694,917	3,642,513	4,523,029	18,239	1,812,139	26,030,081				1,182,185	26,660,035

- Note:** Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed.
Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- * Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).
 - ** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.
 - *** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.
 - **** Enter a rate only, if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 11.
 - ***** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

T2 SCH 8 (11)





SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of resi- dence (other than Canada) 200	Business number (see note 1) 300	Rela- tion- ship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	ERTH Corporation	CA	86356 4324 RC0001	1					
2.	ERTH (Holdings) Inc.	CA	86371 9696 RC0003	3					
3.	ERTH Business Technologies Inc.	CA	87013 2917 RC0001	3					
4.	ERTH Limited	CA	83794 3117 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")	200	310,261	A
Add:			
Cost of eligible capital property acquired during the taxation year	222		
Other adjustments	226		
Subtotal (line 222 plus line 226)			B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228		C
amount B minus amount C (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up of subsidiary	224	15,820	E
Subtotal (add amounts A, D, and E)	230	326,081	F
Deduct:			
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(add amounts G,H, and I)			J
Cumulative eligible capital balance (amount F minus amount J) (if amount K is negative, enter "0" at line M and proceed to Part 2)		326,081	K
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249		
amount K		326,081	
less amount from line 249			
Current year deduction		13,383	L
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		13,383	
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")	300	312,698	M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 – Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K (show as positive amount)			N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400	1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401	2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402	3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408	4	
Line 3 minus line 4 (if negative, enter "0")		5	
Total of lines 1, 2 and 5		6	
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400		7	
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000		8	
Subtotal (line 7 plus line 8)	409	9	
Line 6 minus line 9 (if negative, enter "0")			O
Line N minus line O (if negative, enter "0")			P
	Line 5	x 1 / 2 =	Q
Line P minus line Q (if negative, enter "0")			R
	Amount R	x 2 / 3 =	S
Amount N or amount O, whichever is less			T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410		

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year, is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group. Include non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act* (ITA) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code that applies to each corporation:

- 1 – Associated for purposes of allocating the business limit (unless code 5 applies)
- 2 – CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 – Non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 – Associated non-CCPC
- 5 – Associated CCPC to which code 1 does not apply because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group. The business limit is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A falls within the range for the calendar year to which the agreement applies:

Calendar year	Acceptable range
2006	maximum \$300,000
2007	\$300,001 to \$400,000

Calendar year	Acceptable range
2008	maximum \$400,000
2009	\$400,001 to \$500,000

If the calendar year to which this agreement applies is after 2009, ensure that the total at line A does not exceed \$500,000.

Allocating the business limit

Date filed (do not use this area)

025

Year Month Day

Enter the calendar year to which the agreement applies

050

Year
2011

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?

075

1 Yes ☐ 2 No ☒

	1 Names of associated corporations 100	2 Business Number of associated corporations 200	3 Asso- ciation code 300	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$ 400
1	Erie Thames Powerlines Corporation	86371 9498 RC0002	1	500,000		
2	ERTH Corporation	86356 4324 RC0001	1	500,000	100.0000	500,000
3	ERTH (Holdings) Inc.	86371 9696 RC0003	1	500,000		
4	ERTH Business Technologies Inc.	87013 2917 RC0001	1	500,000		
5	ERTH Limited	83794 3117 RC0001	1	500,000		
Total					100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the ITA

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "Large corporation amount" at line 415 of the T2 return. If the corporation is a member of an associated group** of corporations in the current tax year, the amount at line 415 of the T2 return is equal to $0.225\% \times (A - \$10,000,000)$ where, "A" is the total of taxable capital employed in Canada*** of each corporation in the associated group for its last tax year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules apply if a CCPC has more than one tax year ending in a calendar year and is associated in more than one of those years with another CCPC that has a tax year ending in the same calendar year. If the tax year straddles January 1, 2009, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit that would have been determined for the first tax year ending in the calendar year, if \$500,000 was used in allocating the amounts among associated corporations and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year. Otherwise, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit determined for the first tax year ending in the calendar year and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year.

** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

*** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the ITA.

T2 SCH 23 (09)

Canada



**FIRST-TIME FILER AFTER INCORPORATION, AMALGAMATION, OR WINDING-UP OF A
SUBSIDIARY INTO A PARENT**

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

This schedule must be filed by corporations for the first year of filing after incorporation, amalgamation, or by parent corporations filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act* during the current taxation year.

Part 1 – Type of operation

100 For those corporations filing for the first time after incorporation or amalgamation, please identify the type of operation that applies to your corporation:

99 Other

Part 2 – First year of filing after amalgamation

For the first year of filing after an amalgamation, please provide the following information:

	Name of predecessor corporation(s) 200	Business Number (If a corporation is not registered, enter "NR") 300
1	West Perth Power Inc.	86922 9377 RC0001
2	Clinton Power Corporation	86985 8779 RC0001
3	Erie Thames Powerlines Corporation	86371 9498 RC0001

Part 3 – First year of filing after wind-up of subsidiary corporation(s)

For the parent corporation filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the *Income Tax Act*, please provide the following information:

Name of subsidiary corporation(s) 400	Business Number (If a corporation is not registered, enter "NR") 500	Commencement date of wind-up (YYYY/MM/DD) 600	Date of wind-up (YYYY/MM/DD) 700

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

		Provide only one number per shareholder				
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)		Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100		200	300	350	400	500
1	ERTH Corporation	86356 4324 RC0001			100.000	100.000
2						
3						
4						
5						
6						
7						
8						
9						
10						



**ONTARIO ADJUSTED TAXABLE INCOME OF ASSOCIATED CORPORATIONS TO
DETERMINE SURTAX RE ONTARIO SMALL BUSINESS DEDUCTION**

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- For use by Canadian-controlled private corporations (CCPCs) to report the adjusted taxable income of all corporations (Canadian and foreign) with which the filing corporation was associated at any time during the tax year.
- Include the adjusted taxable income for the tax year of the associated corporation that ends at or before the date of the filing corporation's tax year-end.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations*	Business number of associated corporations**	Tax year-end	Adjusted taxable income *** (if loss, enter "0")
	100	200	300	400
1	ERTH Corporation	86356 4324 RC0001	2011-12-31	
2	ERTH (Holdings) Inc.	86371 9696 RC0003	2011-12-31	
3	ERTH Business Technologies Inc.	87013 2917 RC0001	2011-12-31	
4	ERTH Limited	83794 3117 RC0001	2011-12-31	
Total				500

Enter the total adjusted taxable income from line 500 on line J in Part 4 of Schedule 500, *Ontario Corporation Tax Calculation*.

* Subsection 256(2) of the federal *Income Tax Act* may deem the filing corporation to be associated with another corporation, because both corporations are associated with a third corporation. If so, do not list the other corporation, nor the third corporation if it is not a CCPC or has elected under subsection 256(2) of the federal Act not to be associated for purposes of section 125 of the federal Act.

** Enter "NR" if a corporation is not registered.

*** **Rules for adjusted taxable income:**

- If the associated corporation's tax year ends after December 31, 2008, its adjusted taxable income is equal to its taxable income or taxable income earned in Canada **plus** its adjusted Crown royalties **minus** its notional resource allowance for the year.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's adjusted taxable income by 365 and **divide** by the number of days in the associated corporation's tax year.
- If the associated corporation has two or more tax years ending in the filing corporation's tax year, enter the last tax year-end date on line 300 and, for the entry on line 400, **multiply** the sum of the adjusted taxable income for each of those tax years by 365, and **divide** by the total number of days in all of those tax years.



ONTARIO SPECIALTY TYPES

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- Use this schedule to identify the specialty type of a corporation carrying on business in the province of Ontario through a permanent establishment if:
 - its tax year includes January 1, 2009;
 - the tax year is the first year after incorporation or an amalgamation; or
 - there is a change to the specialty type.
- If none of the listed specialty types applies, tick box 99 "Other."
- Unless otherwise noted, references to sections, subsections, and clauses are from the *Taxation Act, 2007* (Ontario).

Specialty types

100 Identify the specialty type that applies to your corporation:

- ☐ 01 Family farm corporation – See subsection 64(3).
- ☐ 02 Family fishing corporation – See subsection 64(3).
- ☐ 03 Mortgage investment corporation – See subsection 130.1(6) of the federal *Income Tax Act*.
- ☐ 04 Credit union – See subsection 137(6) of the federal Act.
- ☐ 06 Bank – See subsection 248(1) of the federal Act.
- ☐ 08 Financial institution prescribed by regulation only – See clause 66(2)(f).
- ☐ 09 Registered securities dealer – See subsection 248(1) of the federal Act.
- ☐ 10 Farm feeder finance co-operative corporation
- ☐ 11 Insurance corporation – See subsection 248(1) of the federal Act.
- ☐ 12 Mutual insurance – See subsection 27(2) of the *Taxation Act, 2007* (Ontario) and paragraph 149(1)(m) of the federal Act.
- ☐ 13 Specialty mutual insurance
- ☐ 14 Mutual fund corporation – See subsection 131(8) of the federal Act.
- ☐ 15 Bare trustee corporation
- ☐ 16 Professional corporation (incorporated professional only) – See subsection 248(1) of the federal Act.
- ☐ 17 Limited liability corporation
- ☐ 18 Generator of electrical energy for sale, or producer of steam for use in the generation of electrical energy for sale – See subsection 33(7).
- ☒ 19 Hydro successor, municipal electrical utility, or subsidiary of either – See subsection 91.1(1) and section 88 of the *Electricity Act, 1998* (Ontario).
- ☐ 20 Producer and seller of steam for uses other than for the generation of electricity – See subsection 33(7).
- ☐ 21 Mining corporation
- ☐ 22 Non-resident corporation
- ☐ 99 Other (if none of the previous descriptions apply)

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0002	2011-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit www.ServiceOntario.ca for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)	Erie Thames Powerlines Corporation		
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent	Year Month Day	120 Ontario Corporation No.
Ontario		2011-06-01	1428821

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)			
210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number	
143	Bell Street		
240 Additional address information if applicable (line 220 must be completed first)	PO Box 157		
250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
Ingersoll	ON	CA	N5C 3K5

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit www.ServiceOntario.ca.

300 ☐ 1 If there have been no changes, enter 1 in this box and then go to "Part 4 – Certification."
If there are changes, enter 2 in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Skeoch Last name **451** John First name

454 Middle name(s)

460 ☐ 1 Please enter one of the following numbers in this box for the above-named person: 1 for director, 2 for officer, or 3 for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter 1 or 2.

Note: Sections 13 and 14 of the Ontario *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500	<input type="checkbox"/>	Please enter one of the following numbers in this box:	1 - Show no mailing address on the MGS public record. 2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule. 3 - The corporation's complete mailing address is as follows:					
510	Care of (if applicable)							
520	Street number	530	Street name/Rural route/Lot and Concession number	540	Suite number			
550	Additional address information if applicable (line 530 must be completed first)							
560	Municipality (e.g., city, town)		570	Province/state	580	Country	590	Postal/zip code

Part 6 – Language of preference

600	<input type="checkbox"/>	Indicate your language of preference by entering 1 for English or 2 for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.
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