

Income Tax/PILs Workform for 2015 Filers

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Total for Regulated Utility
Income before PILs/Taxes	A	3,884,895
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets	104	
Amortization of intangible assets	106	5,584,950
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves deducted in prior year	125	0
Reserves from financial statements- balance at end of year	126	0
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	

Income Tax/PILs Workform for 2015 Filers

Adjusted Taxable Income - Bridge Year

Other Additions		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		8,909
Change in Employee Benefits		20,994
Previous years Ontario apprenticeship tax credits claimed		109,153
Change in regulatory variance accounts		0
Total Additions		5,724,006
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	9,207,698
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	68,356
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves claimed in current year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		



Income Tax/PILs Workform for 2015 Filers

Adjusted Taxable Income - Bridge Year

Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	
Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Apprenticeship credits included in FS income		111,027
Total Deductions		9,387,081
Net Income for Tax Purposes		221,821
Charitable donations from Schedule 2	311	
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320	
Non-capital losses of preceding taxation years from Schedule 4	331	0
Net-capital losses of preceding taxation years from Schedule 4 <i>(Please include explanation and calculation in Manager's summary)</i>	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
TAXABLE INCOME		221,821

Income Tax/PILs Workform for 2015 Filers

PILS Tax Provision - Bridge Year

Wires Only

Regulatory Taxable Income

\$ 221,821 **A**

Ontario Income Taxes

Income tax payable

Ontario Income Tax

4.50% **B**

\$

9,982 **C = A * B**

Small business credit

Ontario Small Business Threshold
Rate reduction

\$ - **D**
-7.00% **E**

\$

- **F = D * E**

Ontario Income tax

\$ 9,982 **J = C + F**

Combined Tax Rate and PILs

Effective Ontario Tax Rate
Federal tax rate (Maximum 15%)
Combined tax rate

4.50%
11.00%

K = J / A
L

15.50% **M = K + L**

Total Income Taxes

\$ 34,382 **N = A * M**

Investment Tax Credits

\$ 7,329 **O**

Miscellaneous Tax Credits

\$ 103,699 **P**

Total Tax Credits

\$ 111,028 **Q = O + P**

Corporate PILs/Income Tax Provision for Bridge Year

\$ - **R = N - Q**

Note:

1. This is for the derivation of Bridge year PILs income tax expense and should not be used for Test year revenue requirement calculations.



Income Tax/PILs Workform for 2015 Fi

Taxable Income - Test Year

	Test Year Taxable Income
Net Income Before Taxes	5,374,001

	T2 S1 line #	
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P489</i>	104	
Amortization of intangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P490</i>	106	5,085,147
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125	0
Reserves from financial statements- balance at end of year	126	0
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	

Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
<i>Other Additions: (please explain in detail the nature of the item)</i>		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
	296	
	297	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		7,329
Change in Regulatory variance accounts		0
Change in Employee future benefits		101,909
Previous years Ontario apprenticeship tax credit claimed		103,699
Total Additions		5,298,084
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	9,558,872
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10 CEC	405	63,571
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
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	

Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
	395	
	396	
	397	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Apprenticeship credits included in FS income		81,003
Total Deductions		9,703,446
NET INCOME FOR TAX PURPOSES		968,639
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of preceding taxation years from Schedule 7-1	331	0
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		968,639

Income Tax/PILs Workform for 2015 Filers

PILs Tax Provision - Test Year

						Wires Only
Regulatory Taxable Income						\$ 968,639 A
Ontario Income Taxes						
<i>Income tax payable</i>	Ontario Income Tax	11.50%	B	\$ 111,394	C = A * B	
<i>Small business credit</i>	Ontario Small Business Threshold Rate reduction	\$ - -11.50%	D E	\$ -	F = D * E	
	<i>Ontario Income tax</i>					\$ 111,394 J = C + F
Combined Tax Rate and PILs	Effective Ontario Tax Rate	11.50%	K = J / A			
	Federal tax rate (Maximum 15%)	15.00%	L			
	Combined tax rate					26.50% M = K + L
Total Income Taxes						\$ 256,689 N = A * M
Investment Tax Credits						\$ 6,208 O
Miscellaneous Tax Credits						\$ 74,795 P
Total Tax Credits						\$ 81,003 Q = O + P
Corporate PILs/Income Tax Provision for Test Year						\$ 175,686 R = N - Q
Corporate PILs/Income Tax Provision Gross Up ¹		73.50%	S = 1 - M	\$ 63,343	T = R / S - R	
Income Tax (grossed-up)						\$ 239,029 U = R + T

Note:

1. This is for the derivation of revenue requirement and should not be used for sufficiency/deficiency calculations.